



Daily Report

Central Eurasia

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CONTENTS

29 June 1994

INTERREGIONAL AFFAIRS

Objectives of Proposed 'Defense Alliance' Outlined [ROSSIYSKIYE VESTI 28 Jun]	1
ITAR-TASS Carries Press Review for 29 Jun	1

RUSSIA INTERNATIONAL AFFAIRS

Reportage on Visit by PRC's Qian Qichen	3
Comments on Joining NATO Partnership [ITAR-TASS]	3
Speaks on Status of Relations [ITAR-TASS]	3
Comments on DPRK Sanctions [ITAR-TASS]	4
Stresses Political Solution to DPRK Issue [INTERFAX]	4
Initials Border Agreement [ITAR-TASS]	5
Seeks Competition for Equipment Deliveries [ITAR-TASS]	5
Departs Moscow for Minsk [ITAR-TASS]	5
Yeltsin Proposes 2 Sep for Russo-Chinese Summit [ITAR-TASS]	5
Qian, Kozyrev Discuss Summit [ITAR-TASS]	6
PRC Air Force Chief Attends Air Display at Kubinka Base [Moscow TV]	6
PRC's Qian Seen as Man of 'Exceptional Qualities' [ROSSIYSKAYA GAZETA 29 Jun]	6
Visiting IAEA Chief Says DPRK Belittles Plutonium Holding [ITAR-TASS]	7
Grachev, NATO Commander Discuss Partnership for Peace [ITAR-TASS]	7
Further on Meeting [ITAR-TASS]	8
Korea Crisis Teaches Dialogue Preferable to Threats [KRASNAYA ZVEZDA 29 Jun]	8
Grachev To Visit Peacekeeping Forces in Georgia [ITAR-TASS]	8
Says Mission on Schedule [ITAR-TASS]	8
Envisages No UN Force [INTERFAX]	9
Army Aide on Role of Abkhazia Peacekeepers [TRUD 28 Jun]	9
Peacekeeping Forces Enter Abkhazia Conflict Zone [KRASNAYA ZVEZDA 28 Jun]	10
Kozyrev To Meet With North, South Yemeni Envoys [Radio Rossii]	11
Official Denies Yeltsin Target of Athens Bombing [Moscow Radio]	11
Indian Premier's Visit To Focus on Military Cooperation [ITAR-TASS]	12
Rao on Visit, Relations With Russia [Moscow TV]	12
Soskovets Initiates Agreement on Nuclear Use [ITAR-TASS]	13
O. Lobov Talks With Mongolian Counterpart [KRASNAYA ZVEZDA 28 Jun]	13
Official Comments on Talks [ROSSIYSKIYE VESTI 28 Jun]	13
Positive Aspects of EU Deal Highlighted [KOMSOMOLSKAYA PRAVDA 28 Jun]	13
Karasin Deplores Latvian Citizenship Law [ROSSIYSKIYE VESTI 28 Jun]	14
Others Waiting for Russia, U.S. To Ratify CW Convention [KRASNAYA ZVEZDA 28 Jun]	15
TASS Correction on Importance of EU Agreement	16

RUSSIA NATIONAL AFFAIRS

Political Issues

Directive on Implementing Decree on Crime [INTERFAX]	17
Special Tax Planned To Finance Anticrime Program [INTERFAX]	17
Militia General on Organized Crime, Anticrime Edict [ROSSIYSKAYA GAZETA 28 Jun]	17
Law Agencies Sign Instruction on Crime Edict [ITAR-TASS]	18
'Hostage Drama' Resolved in Southern Russia [ITAR-TASS]	19
Shumeyko's Proposal Arouses Controversy [INTERFAX]	19
Agrarian Group Says Policy 'Ruining' Sector [INTERFAX]	20
Agrarians No Longer Trust Yeltsin on Reform [KOMMERSANT-DAILY 29 Jun]	20
FCS Group To Relocate Near U.S. Compound [KURANTY 28 Jun]	20
Stepashin Stresses Violation of Criminals' 'Rights' [INTERFAX]	21

Intelligence Spokesman Attacks Call by Gaydar Party [INTERFAX]	21
Legal Proceedings Against Gaydar Postponed [INTERFAX]	21
Gaydar Outlines New Party's Aims [TRUD 28 Jun]	21
Democratic Choice To Fund Elite Economics Students [IZVESTIYA 28 Jun]	24
Yeltsin Orders Reimbursement of Terror Victims [ROSSIYSKAYA GAZETA 28 Jun]	24
Yeltsin Establishes Technology Directorate [ITAR-TASS]	25

Economic Issues

Yeltsin Says Russian Economy Stabilizing [ITAR-TASS]	25
Yeltsin Stresses Need To Eliminate Poverty [Radio Rossii]	25
Deputy Minister Reviews Economic Achievements [ITAR-TASS]	25
More on Yeltsin, Chernomyrdin Remarks on Investment [ROSSIYSKAYA GAZETA 29 Jun]	26
Gerashchenko Advocates Protectionism for Banks [Moscow International]	27
Edict Covers Voucher to Privatization Transition [INTERFAX]	27
Employment Service Reports 375,000 New Jobs [INTERFAX]	27

Military & Nuclear Issues

Yeltsin Speech to Military Graduates on Reform [Moscow TV]	27
Grachev on Virtues of Armed Forces [ITAR-TASS]	29
Cost of Defense Restructuring, Conversion Reported [INTERFAX]	29
Official Views Future of Nuclear Power [Moscow International]	29

Federal Assembly

Legislative Delays Impede Fight Against Organized Crime [ROSSIYSKAYA GAZETA 28 Jun]	30
Council Derided for Accepting 'Sickly' Military Budget [KRASNAYA ZVEZDA 28 Jun]	30
Mid-Sep Deadline Set for Debating 1995 Budget [ROSSIYSKAYA GAZETA 28 Jun]	31

Regional Affairs

Anticrime Operation Produces 'Almost No Results' [IZVESTIYA 24 Jun]	31
Ossetian-Ingush Conflict Zone 'Gradually Stabilizing' [Moscow TV]	32
Abdulatipov: Ingush-Ossetian Plan Not Implemented [Radio Rossii]	32
Kuban Seen as Interregional Policy Test Bed [ROSSIYSKIYE VESTI 28 Jun]	32
National Socialist Workers Party Founded in Kazan [KURANTY 28 Jun]	33
Siberian Agreement Boosts Region's Powers [SEGODNYA 28 Jun]	34
Yaroslavl Allocates Funds To Support Private Farms [IZVESTIYA 28 Jun]	34
Chief of Staff Visits Urals Military District [KRASNAYA ZVEZDA 24 Jun]	34
Dudayev Oversees Military Command Exercises [ITAR-TASS]	34
Amur Border Guards Clear Waters of PRC Poachers [ITAR-TASS]	35
Moves Made in Solving Far East Radioactive Waste Problem [IZVESTIYA 28 Jun]	35
Special Economic Zone To Be Established in Sakhalin [INTERFAX]	35
Buryatia Reintroduces State Regulation of Timber [ROSSIYSKAYA GAZETA 28 Jun]	36

UKRAINE

International Affairs

Kravchuk: Nonproliferation Treaty To Be Signed 'as Soon as Possible'	
[Rome LA REPUBBLICA 28 Jun]	37
Kuchma Calls for Renegotiation of Treaty [Rome LA REPUBBLICA 28 Jun]	37
Residents Vote for Black Sea Fleet Base in Sevastopol [ITAR-TASS]	38
Further Cooperation Agreed With Cuban Delegation [Kiev International]	38
Willingness To Work With European Initiative Stressed [Kiev International]	38

National Affairs

Supreme Council To Debate Halting Nuclear Withdrawal [UNIAN]	38
Neither Kravchuk, Kuchma 'Consolidating Figure' [INTERFAX]	39

Kuchma Confident at Post-Election News Conference [UNIAR]	40
Electoral Commission Reports Election Results [UNIAN]	40
Report Views Significance of Elections [HOLOS UKRAYINY 28 Jun]	42
Sevastopol To Suspend Activities of Mission [ITAR-TASS]	43
Defense Minister Visits Odessa Military District [UNIAN]	43
Prime Minister Cuts Cabinet Staff 20 Percent [Kiev International]	43
Parliament Endorses Amendments Local Government Law [ITAR-TASS]	43
Analyst Discerns Signs of Karbovanets Strengthening [DEMOKRATYCHNA UKRAYINA 25 Jun]	43
Commission Says AES Safety Not Guaranteed [UNIAN]	44
Miners at 5 Mines in Donetsk Begin Strike [INTERFAX]	44

WESTERN REGION

Belarus

Police Reportedly Attack Presidential Candidate [INTERFAX]	46
Lukashenko Claims Guards Blocked Entrance [Minsk Radio]	46
Lukashenko Expresses Concern Over Election Disruption [Minsk Radio]	46
Prospects for 2d Round of Presidential Election Viewed [IZVESTIYA 28 Jun]	47
Assembly Urges Referendum on Confederation With Russia [Minsk Radio]	48
Minsk Not Yet Ready for Monetary Union With Russia [INTERFAX]	48
Poll: Support for Merger, Opposition to Sovereignty Loss [SEM DNEY 25 Jun]	48
Arms Industry To Maintain Russian Links [KRASNAYA ZVEZDA 25 Jun]	49

Moldova

Russian Counterintelligence Official Visits Tiraspol [BASAPRESS]	51
Parliament Member on Cooperation in Black Sea Basin [BASAPRESS]	51
Gagauz Authorities Issue Communique on CE Experts' Visit [BASAPRESS]	51
Gagauz Deputy Speaker Views Meeting on 'Gagauz-Eri' Project [BASAPRESS]	51
Congress of Intelligentsia Changes Name, Elects Leadership [BASAPRESS]	52

CENTRAL ASIA

Kazakhstan

Foreign Ministry Discusses Implementing Eurasian Union [Almaty Radio]	53
Constitutional Court To Examine Validity of Election Code [Almaty Radio]	53
Deputies Discuss Baykonur Agreement [KAZTAG]	53
Parliamentarians Visit Mashzavod Works in Almaty [Almaty Radio]	54
Scientists Hold Conference, Found Nuclear Society [Almaty Radio]	54
Kenges Committees Discuss Government Program [Almaty Radio]	54
Fast Breeder Reactor Closed for Lack of Money [Moscow TV]	54

Tajikistan

ICRC Representative Arrives in Dushanbe [Dushanbe Radio]	54
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Uzbekistan

President Changes Staff To 'Bolster' Position [NEZAVISIMAYA GAZETA 28 Jun]	55
Karimov Issues Decree on Market Control Commission [Tashkent Radio]	55

CAUCASUS

Armenia

Minister: Nagorno-Karabakh 'De Facto' Part of Armenia [SNARK]	57
Increase in National Income, Industrial Output Seen [SNARK]	57

Azerbaijan

Turkish Move To Join Multinational Force Welcomed [Ankara TV]	57
Finance Minister, Regional Officials Appointed [Baku TV]	57

Georgia

Russian Peacekeepers Deploy Heavy Artillery in Abkhazia [IBERIA]	57
Russians Set Up Observation Posts in Abkhazia [IBERIA]	57
Abkhaz Troops, Civilians Reportedly Leave Gali Rayon [IBERIA]	58
Russian Official Sees Imminent Return of Ghali Refugees [INTERFAX]	58
Peacekeeping in Abkhazia Seen Weakening Shevardnadze [KOMMERSANT-DAILY 28 Jun]	58

BALTIC STATES

Estonia

Meri Appoints New Defense Minister [Tallinn Radio]	59
Government Not To Renew Soviet-Era Passports [ETA]	59
Canada's Ouellet Backs Call for Russian Withdrawal [Tallinn Radio]	59
New Finance Minister Suspends Party Membership [BNS]	59
Premier Says Fatherland Party To Survive Losses [ETA]	59

Latvia

Ulmanis Explains Decision on Citizenship Law [Riga Radio]	60
Russian Military Permits Extended to 31 Aug [Riga Radio]	60

Lithuania

Social Security System in Financial Difficulties [Vilnius Radio]	60
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**Objectives of Proposed 'Defense Alliance'
Outlined**

*PM2806120794 Moscow ROSSIYSKIYE VESTI in
Russian 28 Jun 94 p 3*

[Report by Dmitriy Orlov under the "Commonwealth" rubric: "Bloc-Based Security System Necessary, Leonid Ivashov, Secretary of the CIS Defense Ministers' Council, Believes"]

[Text] The Collective Security Treaty signed by the CIS in Tashkent 15 May 1992, Leonid Ivashov stated, proved to be a not really effective barrier to the process of military disintegration and, in the broader sense, defense disintegration. Defense alliance is the most acceptable of all the possible forms of cooperation in the military sphere, in the view of the secretary of the CIS Defense Ministers' Council. The aims of that alliance would be not only to prevent and repel potential aggression against alliance states but also to resolve the problem of establishing mutual trust. The Collective Security Treaty does not prevent the creation of a defense alliance.

What are the priority tasks to be resolved when forming the defense alliance? First of all, Mr. Ivashov believes, it is necessary to create a system of legal guarantees for the agreements reached by the allies and a mechanism to monitor violations of them. It is then necessary to develop mobilizational plans and plans for the stockpiling of resources. The creation of armed groupings and their deployment on the borders of the CIS will also become an urgent need if an alliance is formed.

For the effective functioning of the collective security system it is proposed to extend the provisions of the Tashkent Treaty and divide the system into regional subsystems. Each subsystem must have a political and military leadership and military groupings. Their titles are hypothetical at the moment.

The East European Subsystem (Belarus, Kaliningrad Oblast, and the western oblasts of the Russian Federation). The center would be in Minsk, the commander in chief—the president of the Republic of Belarus.

The Transcaucasus Subsystem (Georgia, Armenia, Azerbaijan, and the North Caucasus region of Russia). The center would be in Rostov-na-Donu, the commander in chief would be the leader [rukovoditel] of the Russian forces.

The Central Asian Subsystem (Uzbekistan, Tajikistan, Turkmenistan). The tentative center would be Tashkent.

The Russia-Kazakhstan Subsystem (Kazakhstan, the Russian Federation Urals Military District). The center would be in Alma-Ata [Almaty], the commander in chief—the president of the Republic of Kazakhstan.

The secretary of the Defense Ministers' Council explained that the subsystems are necessary for the following reasons: To deter the Afghan opposition (the

Central Asian Subsystem), to create a military grouping to counteract China's Xinjiang Group of Forces (the Russia-Kazakhstan Subsystem), to establish lasting peace in the Caucasus (the Transcaucasus Subsystem), and to form forces analogous to the troop structures of the NATO countries in Europe, first and foremost the Bundeswehr (the East European Subsystem).

There is no unity yet within either the military leadership or the diplomatic leadership of Russia on the question of creating the bloc-based collective security system necessary in the Russian Federation. The Russian Foreign Ministry leadership objects particularly to this concept. Meanwhile, Leonid Ivashov stressed, the most powerful military grouping—the NATO bloc—still exists and Russia's affiliation to it is, at the moment, highly problematic. The adoption by the CIS member countries of political decisions aimed at creating an effective collective security system will serve as a guarantee of political stability in all the CIS countries.

ITAR-TASS Carries Press Review for 29 Jun

*LD2906063394 Moscow ITAR-TASS in English 0546
GMT 29 Jun 94*

["Press Review"—ITAR-TASS headline]

[Text] Moscow June 29 TASS—ROSSIYSKIYE VESTI carries an article headlined "The privatisation cheque is going. What remains?" in view of the cheque phase of privatisation ending on Thursday.

Giving the Russian property committee's positive appraisal of the privatisation phase, the newspaper points out at the same time that the evaluation is "in sharp contrast" to other points of view. Generalising them, the newspaper writes that privatisation "has not brought the expected results either for the work collectives, the state or main social groups of the population".

Referring to extreme estimates, the newspaper notes that only "a comparatively small group of corrupt officials and members of shadow-economy and criminal outfits closely connected with them" benefitted from it.

Nevertheless, the newspaper favours taking into consideration a "more weighed conclusion: the qualitative (or formal) results of the privatisation are impressive. The privatisation cheques, while not resolving many problems, still substantially promoted the formation of a stock market". Although a widely representative class of genuine proprietors has not yet emerged, "privatisation has expedited the formation of a market mechanism".

PRAVDA runs a report, headlined "The Moscow voucher (privatisation cheque) will die somewhat later", on a Moscow government decision to extend the privatisation period in the country's capital until January 1, next year.

At the same time the newspaper maintains that "136,000 privatisation unclaimed by Muscovites will be used for

the purpose of providing the social protection of citizens. [sentence as recieved] Besides, another two to four million privatisation cheques are kept by Muscovites who could not decide where to invest them.

NEZAVISIMAYA GAZETA reports Tuesday's meeting between Russian President Boris Yeltsin and foreign companies' executives whom he assured that "a favourable investment climate has taken shape in Russia". The newspaper quotes him as saying that the notion of Russia as a country with a high degree of political risk "has already become out-of-date".

KRASNAYA ZVEZDA (Red Star) summarises remarks by President Yeltsin, supreme commander-in-chief of the Russian Armed Forces, and Defence Minister Pavel Grachev at a reception of military academies' graduates in the Kremlin Palace of Congresses on Tuesday. The newspaper points out that more than 7,000 young officers will join the Russian Army and Navy.

KRASNAYA ZVEZDA, runs a report under the headline "From now on Russia and NATO headquarters will maintain friendly relations", on Defence Minister Pavel Grachev's Tuesday meeting with visiting General George Joulwan, NATO Supreme Allied Commander, Europe, and an accord reached that the Russian Defence Ministry will open a permanent mission at the NATO allied headquarters soon and NATO will send its representatives to the Russian Defence Ministry.

KRASNAYA ZVEZDA carries an interview with General of the Army Makhmut Gareyev, Dr. of military sciences, the author of a number of books and 200 scientific articles conveying his views about nuclear weapons and their place in ensuring Russia's military security.

KOMSOMOLSKAYA PRAVDA reports that 2,000 children from the Chernobyl disaster-affected areas left by air for Denmark and Norway for medical treatment last

Sunday. The report is headlined "The first Russian landing party at a NATO airfield".

Although more than eight years have passed since the tragedy at the Chernobyl nuclear power station, "children are born and grow up in contaminated areas in Bryansk, Tula, Kursk and other regions. Chernobyl kids have in their organisms the radioactive legacy of 1986".

The press highlights materials concerning Russian-Indian relations and the forthcoming official visit of Indian Prime Minister P.V. Narasimha Rao. The visit begins on Wednesday.

ROSSIYSKIYE VESTI and NEZAVISIMAYA GAZETA carry Rao's interviews in which he points that despite the changes which have taken place in the two countries in recent years, "the traditionally close friendship between India and Russia remains unchanged." India seeks to revitalise traditional contacts with Russia, the Indian prime minister emphasised.

TRUD on the presidential election in Ukraine:

The postponement for almost 24 hours of the Central Electoral Commission's official communique, announcing whom the electorate preferred out of seven contenders for the presidency, is indicative of a "rather acute and uncompromising struggle between candidates and between their supporters". As a result of the first round of elections, the Ukraine's incumbent President Leonid Kravchuk is ahead of ex-premier Leonid Kuchma.

PRAVDA carries an interview with prominent scientist Vladimir Gorshenin who voiced the conviction that the Soviet Union would re-emerge but in a different form, of course. A reunification of our peoples is "the primary condition for independence. Almost everyone has already come to realise that..." Gorshenin said.

Reportage on Visit by PRC's Qian Qichen

Comments on Joining NATO Partnership

LD2906012994 Moscow *ITAR-TASS World Service in Russian* 1733 GMT 28 Jun 94

[By *ITAR-TASS* diplomatic correspondent Andrey Kirillov]

[Text] Moscow, 28 Jun (TASS)—Qian Qichen called the agreement on the visit by China's chairman Jiang Zemin to the Russian Federation which will begin on 2 September as the main achievement of his meetings and talks in Moscow. He stated this at the press conference held at the Foreign Ministry press center at the Zubovskaya square.

He especially mentioned the initialling of the agreement on the western section of the Chinese-Russian border. According to the Chinese foreign minister, in the past few years bilateral relations and especially business links have developed considerably, "they far exceeded former Chinese-Soviet ties."

Answering an *ITAR-TASS* correspondent's question on China's policy towards the Central Asian countries, former USSR republics, Qian Qichen said that since these countries achieved their independence their contacts with China, previously of indirect nature, have now become direct. Especially good relations are being established in the sphere of trade. "We would like to continue to strengthen our relations with these countries, at the same time hoping that their ties within the CIS framework and with the Russian Federation will also continue to develop," said the Chinese minister.

Speaking of Russia's accession to the Partnership for Peace treaty, Qian Qichen noted that the Russian Federation, which is a major European state, maintains extensive links with its neighbors in Europe, especially after the ending of confrontation between the two military blocs. "We regard with understanding the fact that Russia maintains relations of partnership with the countries of Europe. We hope that such relations will promote the strengthening of peace and stability in the region and also throughout the world. We believe that these relations will not in any way harm the development of links between Russia and China."

Qian Qichen said that he had not discussed questions of selling Russian weapons to China today. This subject, he said, will not be raised during Jiang Zemin's forthcoming visit to Moscow, either.

Speaking about the situation around the Spratly (Nan-wei) islands, which are claimed by several southeast Asian countries as well as by China, Qian Qichen expressed the opinion that at the present stage discussions should be halted and a start should be made to the joint exploitation of this region.

Speaking of nuclear problems, the minister stressed that China is a party to the treaty on the nonproliferation of

nuclear weapons and is strictly guided by its provisions. The PRC, he stressed, is in favor of advancing the talks on concluding a convention on the total banning of nuclear weapons and intends to promote the signing of this treaty before 1996. As far as nuclear tests are concerned, China is in favor of the total elimination and complete banning of nuclear weapons tests.

Speaks on Status of Relations

LD2906014294 Moscow *ITAR-TASS World Service in Russian* 1623 GMT 28 Jun 94

[By *ITAR-TASS* diplomatic correspondents Anatoliy Krasnov and Vladimir Solntsev]

[Text] Moscow, 28 Jun—PRC President Jiang Zemin, who will pay an official visit to Russia in September, will discuss with Russian President Boris Yeltsin the question of how, "looking towards the 21st century, from the point of view of a strategic perspective, to build the future" of bilateral relations. This was stated today by Qian Qichen, PRC vice premier and foreign minister, who is in Moscow on an official visit, speaking at Moscow State University.

The head of the Chinese Foreign Ministry said that the results of Boris Yeltsin's visit to China in December 1992 "initiated a new era in Sino-Russian relations." The minister noted that he was "very pleased" with today's meeting with the Russian president.

"China's consistent policy regarding development of relations with Russia," he said, "is based on the fact that it fully respects the choice of the Russian people and always aims at developing long-term and stable relations of neighborliness, friendship, and mutual cooperation on the basis of the five principles of peaceful coexistence, regardless of how the domestic situation in Russia might change." The minister said he was absolutely certain that China and Russia "must and will definitely be friends for a long time to come."

The minister said that the views of Moscow and Beijing "either coincide or are similar" on many very important international problems. He stressed that China "is not taking part in the arms race or any military alliances. And it neither does nor will lay claim to hegemony anywhere or ever—either now or subsequently, when it becomes a powerful country." [sentence as received]

The head of the Chinese Foreign Ministry expressed a rather skeptical view regarding the possibility of a direct transfer of the experience of Chinese reforms to Russian soil. "China's experience is applicable only to the specific conditions of our country. Russia's reality is different from that of the PRC," he said. At the same time, the minister expressed readiness to develop contacts in the sphere of the implementation of reforms, having noted that it is useful for both countries to exchange and to borrow experience from one another. He said he was certain that "Russia will undoubtedly find a path of development suitable to its own reality. It will definitely

overcome the current temporary difficulties and will be able to restore its economy."

Qian Qichen admitted that in the conditions of rapid development of Russian-Chinese contacts "some problems have arisen." The most important is "incidents where a few criminals cross the border and engage in criminal activities, or where unscrupulous traders sell fake and inferior goods for a quick profit." The minister stressed that Chinese Government is prepared "to cooperate with Russia in taking legal measures against Chinese citizens who violate Russian laws."

According to Qian Qichen, the Chinese people "are thinking about and are doing only one thing: developing the country's economy is their major aim." He stressed the need for the gradual implementation of reform while maintaining social and political stability and avoiding social unrest. The minister dismissed claims that China "is only implementing economic but not political reforms" as "misunderstanding."

According to Qian Qichen, claims that China has become the world's third economic superpower also "do not correspond to reality." "We believe that China continues to be among the less well-off developing countries and it will take efforts of several generations to make it a medium-developed country." The minister recalled that the Chinese reforms have been carried for "only 15 years." "It will take another 20 to 30 years to create a complex of more mature and complete systems," he said.

* Comments on DPRK Sanctions

LD2806165194 Moscow *ITAR-TASS World Service in Russian* 1515 GMT 28 Jun 94

[by *ITAR-TASS* diplomatic correspondent Anatoliy Krasnov]

[Text] Moscow, 28 Jun—China and Russia do not want the Korean peninsula to have nuclear weapons and are advocating a peaceful resolution of all the issues connected with this. Nor do they want any sanctions to be imposed on Korea, so as to avoid making the situation more complex. This was stated today by Qian Qichen, deputy premier of the State Council who is also the foreign minister of the People's Republic of China, during his visit to the Moscow State University named after M.B. Lomonosov.

Replying to questions asked by the university lecturers about similarities and differences in the approaches of China and Russia to the issue of the settlement of the nuclear problem on the Korean peninsula, the head of the foreign policy department of the People's Republic of China stressed that there are no radical differences between Moscow's and Beijing's stands on this issue.

"We understand Russia's proposal on convening a multilateral international conference," Qian Qichen said. At the same time, he said, the Chinese side believes that the

nuclear problem in the DPRK must be resolved within the framework of the dialogues which currently exist between South Korea and North Korea, between the DPRK and the United States, and between North Korea and the International Atomic Energy Agency. The Chinese foreign minister expressed the hope that the forthcoming round of talks in Geneva between Pyongyang and Washington will open up new opportunities to settle these problems.

Stresses Political Solution to DPRK Issue

LD2806155794 Moscow *INTERFAX in English* 1427 GMT 28 Jun 94

[From the "Diplomatic Panorama" feature, by correspondents Igor Porshnev, E. Terekhov and others]

[Text] Russia pins hopes on negotiations on the nuclear theme between the United States and North Korea, due to begin in Geneva, but still wants an international conference on the issue. "Moscow's proposal to that effect is still on the agenda", the Russian Foreign Minister Andrey Kozyrev has told Interfax. He was speaking in Moscow on Tuesday after talks with his Chinese counterpart Qian Qichen.

Kozyrev said "Russia and China are unanimous that to ensure the non-nuclear status of the Korean peninsula political solutions must be found."

"Our Chinese counterparts have taken interest in Russia's proposal to convene an international conference. They have the intention to consider the most suitable conditions, when they take shape, in order to return to that idea once again", Kozyrev said.

Qian Qichen said that China and Russia's great interest in resolving the problem stems from their geographic proximity to the Korean Peninsula. "We wish to see the success of the forthcoming US-North-Korean talks. As for Russia's proposal to convene an international conference, China has responded to it with understanding. We believe, however, that proposal can materialize only when there are appropriate favorable conditions for it."

Kozyrev said that Russian-Chinese relations were on the ascent. "That upward trend will reach a culmination when China's Premier [as received] Jiang Zemin visits Russia in the autumn. During that visit at least five or six agreements, including a major political treaty will be signed", he said.

Kozyrev said he was certain that the Chinese Premier's visit to Russia would become "a land-mark event in fostering neighborly and friendly relations and partnership between the Russia and China."

After the foreign ministers ended the talks their deputies Aleksandr Panov and Dai Bingguo initialled an agreement on the Russian-Chinese state border in the West and signed a protocol of cooperation in the field of information exchanges between the Russian and Chinese foreign ministries.

Kozyrev's Political Advisor Galina Sidorova told Interfax that during the talks with Kozyrev Qian Qichen said he was satisfied with partnership established between Russia and the Western countries and NATO.

Kozyrev stressed that Russia was developing partnership both with the West and the East, including China. Such relations will help to strengthen international security, are not aimed against the interests of any third countries and reflect the special situation of Russia as a great European power, Sidorova said.

Initials Border Agreement

LD2806130394 Moscow ITAR-TASS World Service in Russian 1216 GMT 28 Jun 94

[By ITAR-TASS diplomatic correspondents Andrey Kirillov and Vladimir Solntsev]

[Text] Moscow, 28 Jun—Talks between Russian Foreign Minister Andrey Kozyrev and his Chinese counterpart Qian Qichen culminated today in the initialing of a bilateral agreement on the western sector of the Russian-Chinese border. The document is expected to be signed in early September during the second Russian-Chinese summit meeting.

The USSR and China concluded an agreement on the eastern sector of the border in 1991. ITAR-TASS was told at the Russian Foreign Ministry that agreement has now been reached on a 55-km stretch of the border with Altay Kray, on which Russia has never had a treaty with contemporary China.

"There are no problems or disagreement between us, so the talks were a success," a Foreign Ministry official said. He added that there have been no territorial concessions by either side.

After the agreement is signed it will have to be ratified by the parliaments of both countries.

Seeks Competition for Equipment Deliveries

LD2906102794 Moscow ITAR-TASS in English 1002 GMT 29 Jun 94

[By ITAR-TASS diplomatic correspondent Andrey Kirillov]

[Text] Moscow June 29 TASS—Chinese Foreign Minister Qian Qichen invited Russia to participate in a tender for the right to ship equipment for a cascade of hydropower stations on the Yangtze river.

The proposal was made at his meeting on Wednesday with First Deputy Prime Minister Oleg Soskovets who welcomed the idea saying "Russia should not lose long-standing relations with Chinese partners especially in those industries where it has good chances and advantageous positions".

Soskovets called on China to "specify its interests in trade and economic, as well as in military and technical cooperation". Russia is "actively opening new markets now, including that of weapons", he said.

Qian responded by saying that "trade and economic relations and military-technical ties comprise a very important part of our relations in general".

Although the Chinese minister said trade relations are developing successfully between the two countries and the turnover reached eight billion dollars last year, he opposed the so-called "shuttle trade" when individual traders fill the Russian market with low-quality Chinese goods. He proposed to replace them by reliable and major companies.

Soskovets, however, said that he can give no guarantees about any of the companies advertising themselves on the Russian TV.

Soskovets expressed big interest in the Chinese experience of economic reforms and especially in creating free trade zones. "The Chinese experience is of great interest to us", he said.

Departs Moscow for Minsk

LD2906091994 Moscow ITAR-TASS World Service in Russian 0831 GMT 29 Jun 94

[By ITAR-TASS diplomatic correspondent Vladimir Fedoruk]

[Excerpt] Moscow, 29 Jun—Qian Qichen, China's foreign minister and vice premier of the State Council, has completed his three-day official visit to Russia. He left Moscow for Minsk today. [passage omitted]

Yeltsin Proposes 2 Sep for Russo-Chinese Summit

LD2806125894 Moscow ITAR-TASS World Service in Russian 1136 GMT 28 Jun 94

[By ITAR-TASS diplomatic correspondent Vladimir Solntsev]

[Text] Moscow, 28 Jun—PRC President Jiang Zemin is to pay an official visit to Russia at the beginning of September this year. An accord on this was reached during the visit to Moscow by Qian Qichen, vice premier of the PRC State Council and foreign minister. "We virtually only have to agree on dates with you. The month has already been set," Russian President Boris Yeltsin said, when he received the head of the Chinese Foreign Ministry in the Kremlin today. The Russian president suggested that the schedule proposed by the Chinese side be shifted by two days and that the summit begin on 2 September.

Qian, Kozyrev Discuss Summit

LD2806125194 Moscow ITAR-TASS World Service in Russian 1037 GMT 28 Jun 94

[By ITAR-TASS diplomatic correspondent Andrey Kirillov]

[Text] Moscow, 28 Jun—Russian Foreign Minister Andrey Kozyrev said today after talks with his Chinese counterpart Qian Qichen that at least six or seven agreements, including a "major political document," will be signed during the forthcoming Moscow summit between Russian President Boris Yeltsin and PRC President Jiang Zemin.

An ITAR-TASS correspondent learned from trustworthy sources that the summit is planned for the first week in September.

Andrey Kozyrev described the forthcoming summit as a "landmark" in Russo-Chinese relations which, in his words, are now developing in a stable manner.

Qian Qichen agreed with this assessment. He noted, however, that "certain issues have arisen" in what is, on the whole, a dynamic trade exchange between the two countries, and overcoming these would make it possible to increase business ties more successfully.

In the words of the Russian minister, the sides discussed the Korean nuclear problem in quite some detail. "We are agreed on ensuring the nonnuclear status of the Korean peninsula and on seeking political solutions," Andrey Kozyrev said. He added that the Russian proposal to hold a multilateral conference on the Korean issue still stands.

Both China and Russia, Qian Qichen said, are very close neighbors of the Korean peninsula, and both countries want a settlement of the difficulties over Korea. As for the Russian initiative, China regards this proposal "with understanding." However, it believes that "the appropriate conditions are required" for it to be put into practice.

PRC Air Force Chief Attends Air Display at Kubinka Base

PM2806152194 Moscow NTV in Russian 1500 GMT 3 June 94

[Video report from Kubinka by Vladimir Lenskiy and Vladimir Avdeyev—from the "Today" newscast]

[Text] [Presenter Tatyana Mitkova] A ranking Chinese general inspected the Russian aerodrome at Kubinka near Moscow today with a possible deal in mind.

[Lenskiy over video of Chinese, Russian officers viewing Su-25 taxiing, formation display by four Su-27] Colonel General of Aviation Cao Shuang-Ming, commander of

the Chinese Air Force, viewed flights by Su-25 assault aircraft and Su-27 and MiG-29 fighters at Kubinka today.

According to Russia's Frontal Aviation Commander Nikolay Antoshkin, the Kubinka airfield hosts up to 120 delegations a year. Some are shown aircraft to reinforce relations, others for advertising purposes.

Today's demonstration of the wonders of our combat aviation combined friendship and business. The Kubinka Sky Hussars' flight is named for Kozhedub, who is also a national hero in China. What is more, our great Eastern neighbor is buying Su-27 fighters from Russia. But today the leadership of the Chinese Air Force was particularly interested in the MiG-29. Nikolay Antoshkin encouraged this interest in every possible way.

[Antoshkin] This is profitable for the state and the people. If we do not sell, someone else will.

[Lenskiy] Russia currently has to compete in the aircraft market with the FRG, the United States, France, Britain, and Italy. Even though specialists claim that a Western equivalent of the Su-27 will not be available before the year 2000.

The Chinese delegation was particularly happy to note that one of the Sky Hussars' aircraft is piloted by a woman. Lyudmila Pukito flies a Su-25 assault aircraft. She says that there are female military pilots in many countries. Lyudmila can't understand why she is being singled out.

[Pukito] But if our aircraft are made even more popular as a result, I will have served my purpose.

[Lenskiy] Raising the popularity of Russian military aircraft is not cheap for the Russian Air Force. A demonstration flight on one of these aircraft costs 200,000 rubles at 1992 prices. However, the Air Force leadership believes that the game is worth the candle.

Vladimir Lenskiy, Vladimir Avdeyev reporting for NTV from Kubinka.

PRC's Qian Seen as Man of 'Exceptional Qualities'

PM2906081794 Moscow ROSSIYSKAYA GAZETA in Russian 29 Jun 94 First Edition p 6

[Unattributed report: "PRC's Top Diplomat in Moscow"]

[Text] Qian Qichen, deputy premier of the State Council and PRC foreign minister, arrived on an official visit to Moscow Monday evening. The main aim of the trip is to prepare for the Russo-Chinese summit. It is planned that PRC Chairman Jiang Zemin will be coming to Moscow in September.

"China and Russia," Qian Qichen stated at the airport, "are neighbors with common borders. It is quite natural for us to maintain constant contacts. I am confident that my current visit to Russia will be very successful."

The 66-year-old Qian Qichen, who speaks Russian, English, and French, is no newcomer to the Moscow dimension of PRC foreign policy. He made his "great leap forward" into big-time politics in 1982, when he became China's special representative at the intergovernmental political consultations with the USSR. Five years later, a year before being appointed foreign minister, Qian headed the delegation at the bilateral border talks. In the memorable year of 1989 he was already quite at home in the top diplomat's office—and the process of normalizing Soviet-Chinese relations was completed with his direct participation.

Qian Qichen has displayed exceptional qualities in the field of diplomacy, primarily a purposefulness and an analytical way of thinking. He is given a lot of the credit for the fact that, following the suppression of the student demonstrations in Beijing's Tiananmen Square in 1989 and the introduction of anti-Chinese sanctions by the West, the PRC nonetheless did not remain internationally isolated, and the situation regarding China did not turn into a new "cold war."

Any high-ranking Chinese leader's personal life is reliably hidden from prying eyes. All we know for sure is that Qian is a man of routine—he never gets up later than 0600 and retires precisely at 2300. He loves going for walks.

Visiting IAEA Chief Says DPRK Belittles Plutonium Holding

LD2906103494 Moscow ITAR-TASS in English 1018 GMT 29 Jun 94

[By ITAR-TASS correspondent Anna Bakina]

[Text] Moscow June 29 TASS—"North Korea has more plutonium than it has reported", Director of the International Atomic Energy Agency (IAEA) Hans Blix said in Moscow on Wednesday.

He told TASS that his agency aims to clarify the total amount of radioactive waste in North Korea and the location of its burial places.

Blix hopes that Pyongyang "will raise the curtain of mystery" over the fate of the radioactive fuel from its 5 megawatt reactor and said talks are currently being held with North Korea on the problem.

The IAEA director played down fears about the scope of illegal exports of radioactive waste stolen by criminal groups. He said that 95 per cent of reported cases turned out to be pure inventions. However, some cases did take place and were thoroughly investigated. Blix added that he had already held negotiations with nuclear powers and agreed with them that it is necessary to cut short

criminal attempts to smuggle out radioactive waste. He believes a special organisation resembling the FBI might be set up for the purpose.

Dwelling on the future of the Chernobyl nuclear power plant in Ukraine where the worst nuclear disaster occurred in 1986, Blix said that the Ukrainian Government wants to keep the plant running because of economic problems and that the leaderships of Western Europe are ready to help it. However, in future the obsolete reactors of the plant are to be replaced, he added.

Grachev, NATO Commander Discuss Partnership for Peace

LD2806150394 Moscow ITAR-TASS in English 1419 GMT 28 Jun 94

[By ITAR-TASS correspondents Sergey Ostanin and Andrey Surzhanskiy]

[Text] Moscow June 28 TASS—Russia and NATO are ready to implement the partnership for peace program, Russian Defence Minister General of the Army Pavel Grachev and NATO Supreme Allied Commander Europe General George Joulwan confirmed here today.

In July military experts will start to elaborate a presentation document on aspects of Russian-NATO cooperation, Grachev told a news conference at the Defence Ministry on results of his meeting with Joulwan. Some 1994 arrangements totalling 30 will be specified, and plans for 1995 military cooperation will be made more detailed. The Russia-signed framework document of the partnership for peace program and the Russia-NATO protocol to the program with the same name open up diverse prospects for military cooperation, said the defence minister.

The meeting agreed to open NATO posts in Russia and Russian posts at the NATO Supreme Allied Command and NATO Command Headquarters, as well as establish telephone communications between the Russian armed forces' general staff and the NATO Supreme Allied Command.

In the opinion of Pavel Grachev, bilateral cooperation will also involve fleets and districts "up to military units". Cooperation plans provide for participation of the Russian Defence Ministry's staffers in NATO exercises as observers and negotiations of the Russian armed forces' general staff and the NATO Supreme Allied Command. The main condition of these relations is the account of Russian interests and adoption of well-coordinated decisions, said the Russian defence minister.

Further on Meeting

LD2806134294 Moscow ITAR-TASS World Service in Russian 1022 GMT 28 Jun 94

[By ITAR-TASS correspondents Sergey Ostanin and Andrey Surzhanskiy]

[Text] Moscow, 28 Jun—The readiness of Russia and NATO to embark on practical steps to implement the Partnership for Peace program was confirmed today at a meeting between Russian Federation Defense Minister Army General Pavel Grachev and NATO Supreme Allied Commander, Europe, General George Joulwan.

Addressing a news conference at the Russian Defense Ministry on the results of the meeting, Pavel Grachev said that joint preparations for a presentational document, reflecting specific measures of cooperation between Russia and NATO, would start in July at the level of military experts. Among other things, this would clarify certain measures planned for 1994, of which there are more than 30, and produce more detailed plans for military cooperation in 1995. The minister said that the framework document of Partnership for Peace and the Russia-NATO protocol to the same program, both signed by Russia, open up a variety of prospects for military cooperation.

Pavel Grachev noted that during the meeting agreement was reached on the establishment of NATO missions in Russia and Russian military missions at NATO's Supreme Allied Command, Europe, and at NATO HQS. Agreement was also reached on a telephone link between the General Staff of the Russian armed forces and NATO's Supreme Allied Command.

According to Pavel Grachev, cooperation would also develop between fleets and districts, "which will also take in military units." Plans for cooperation also envisage participation by Russian Defense Ministry representatives as observers at NATO military exercises and talks between the General Staff of the Russian Federation armed forces and NATO's Supreme Allied Command. Pavel Grachev described consideration for Russia's interests and the adoption of mutually agreed decisions as the main condition for the development of such ties.

Korea Crisis Teaches Dialogue Preferable to Threats

PM2906094994 Moscow KRASNAYA ZVEZDA in Russian 29 Jun 94 p 3

[Article by Aleksandr Golts: "Crisis Nearly Over, Talks Begin"]

[Text] The Korean peninsula crisis seems to have passed. Moreover, the current shifts in relations between the two Korean states, and also in relations between the DPRK and the United States, inspire hope that the situation on the peninsula will be finally extricated from four decades of deadlock.

It has just been announced that agreement has been reached on holding a first-ever meeting between the leaders of the DPRK and South Korea. It was simultaneously reported in Washington that a third round of talks between the DPRK and the United States will begin in Geneva on 8 July. Judging by statement by the White House press secretary, American diplomats are geared up for serious work.

"Talks will continue until such time as they are productive," she said. Particular importance attaches to the fact that Washington has acknowledged that the DPRK nuclear program has been frozen.

So we can heave a sigh of relief: A situation fraught with almost the danger of war has now been successfully defused. It is time to ponder the lessons of what has happened. The main one, in my view, is that the world community has to accept that the world contains and will obviously continue to contain states which are highly different from each other in terms of system and ideology. And it is absolutely senseless to attempt to change them with the help of threats and sanctions. Because the result could turn out to be the opposite of what you wanted.

Thus, like it or not, the only road is the broadest possible communication with these states at all levels. It is necessary to destroy the myth that "external forces" are threatening their countries' independence. It is not through threats but through consistent dialogue that these countries can be integrated into the world community. It seems that trial and error has brought this realization to even those who only yesterday were counting solely on sanctions.

Grachev To Visit Peacekeeping Forces in Georgia

LD2906042094 Moscow ITAR-TASS in English 0415 GMT 29 Jun 94

[By ITAR-TASS correspondent Vladimir Gondusov]

[Text] Moscow June 29 TASS—General of the Army Pavel Grachev, Russian minister of defence, on Wednesday begins a three-day working tour of the north caucasian military district.

Grachev is to meet with the command of the district, and will familiarise himself with the accommodation of newly-formed units and those withdrawn from abroad to the region.

The defence minister plans to visit Russian peacekeeping units operating in the area of the Georgian-Abkhazian conflict.

Says Mission on Schedule

LD2806142194 Moscow ITAR-TASS in English 1354 GMT 28 Jun 94

[By ITAR-TASS correspondents Sergey Ostankin and Andrey Surzhanskiy]

[Text] Moscow June 28 TASS—"The Russian Defence Ministry has launched its full-scale peacemaking operation to overcome the Georgian-Abkhazian conflict. It is going ahead strictly according to the programme and quite successfully," Russian Defence Minister Pavel Grachev said at a press conference here today.

According to Grachev, all forces and materiel, including about 2,300 servicemen, to take part in the peacemaking action, are now concentrated in the conflict zone.

Grachev also said that "a large number of U.N. observers, who are carrying out good work", has been functioning in the region. He said he wished if other countries also took part in the peace-making operation aimed at disengaging the conflicting sides and promoting peace in Abkhazia. "We are ready to work under the aegis of the U.N. and even under other commands," the minister said. Grachev expressed regret that "there are no prospects of the U.N. peacemakers' participation in the near future". He referred to U.N. Secretary-General Butrus Butrus-Ghali's opinion voiced at their personal meeting.

According to Grachev, whether the Commonwealth of Independent States (CIS) will take part in putting end to the Georgian-Abkhazian conflict, will be decided at a meeting of CIS summit meeting scheduled for September. The minister also said it is rather doubtful that any of the CIS states will allocate bigger army contingent than Russia. According to him, one could speak only about a small peacekeeping detachment. Nevertheless, those CIS member-countries, which are only setting up their armed forces, could contribute into financing the peacekeeping operation in Abkhazia, Grachev said.

Touching upon his meeting with the NATO supreme commander in Europe, Army General George Joulwan, Grachev named cooperation in holding peace-keeping operations as one of the main topics to be discussed in future. Among the major trends of such cooperation, Grachev pinpointed joint planning and holding peace-keeping operations, working out general criteria for their material and technical supplies, and military personnel training.

Envisages No UN Force

LD2806142794 Moscow INTERFAX in English 1351
GMT 28 Jun 94

[Text] Russia's Defense Minister Pavel Grachev said he did not consider possible the presence of UN "blue helmets" in a peace-keeping operation in Abkhazia.

He told INTERFAX at a news-conference in Moscow that he had received this impression after a conversation with the UN Secretary General Butrus Butrus-Ghali.

Grachev stressed that Russia would welcome an international peace force in the region "on any terms" and "even under any command." However, he said the UN is only ready to post more observers in the area rather than

to carry out a large scale operation to disengage the Georgian and Abkhaz forces.

He did not rule out the involvement of CIS troops in the operation, however only after a CIS summit in September.

He doubted that any former Soviet republic could dispatch to the region of Georgian-Abkhaz confrontation a contingent as big as the Russian force. Commonwealth states, in his opinion, could send only small units, and the countries without armed forces of their own could support the peace-keeping operation with money.

Grachev said the mission in Abkhazia has so far been going smoothly and strictly to schedule. All troops and military hardware intended for the operation have been brought into the region. Grachev estimated the Russian force at 2300 men.

Army Aide on Role of Abkhazia Peacekeepers

PM2806105894 Moscow TRUD in Russian
28 Jun 94 p 5

[Interview with Major General Vasilii Belchenko, assistant commander of the Group of Russian Forces in the Transcaucasus, by correspondent Vladimir Sarishvili in Tbilisi; date not given: "They Came for the Sake of Peace"]

[Text] Tbilisi—To use the currently topical soccer terminology, you could say that the winning attack of reason on the once apparently impregnable bastions of the Georgian-Abkhazian war is unfolding in a "breakaway attack."

The Russian battalions have embarked on a peace-keeping action in the conflict zone. Its progress and certain aspects of Russian-Georgian military cooperation are the subject of your TRUD correspondent's interview with Major General Vasilii Belchenko, assistant commander of the Group of Russian Forces in the Transcaucasus.

"Two battalions have been assigned from the Group of Russian Forces in the Transcaucasus to carry out this mission," Vasilii Fedorovich says. "They will be deployed along the east bank of the Inguri river, where seven checkpoints and the same number of observation posts will be set up. Overall leadership of the peace-keeping forces in Abkhazia will be exercised by Russian Deputy Defense Minister Colonel General Georgiy Kondratyev. The mission, which is to be fulfilled by some 3,000 officers and men, will involve not only disengagement, but also the withdrawal and storage of heavy equipment and artillery and the protection of facilities and main railroads and highways with a view to safeguarding the passage of refugees and humanitarian freight.

"Security guarantees have been given at the highest state level. Railroad communication will be restored very

soon, as Vladislav Ardzinba has said. The bridge over the Inguri by which the refugees will return will also begin to function in the next few days. So everything is ready for the process to begin."

[Sarishvili] Russia is taking on a grave and responsible mission. What could hamper its implementation?

[Belchenko] For a long time it was impossible to find points of contact for a reconciliation. We recognize the full complexity of the role we have assumed. But the Georgian and Abkhazian sides should also take a very responsible attitude to the political settlement process. Unfortunately there have been many examples of local resistance leading to the disruption of peacekeeping efforts. But in this case there is the firm hope that, on condition that there is support from the sides, the action will achieve its goal and the war, which everyone is sick and tired of, will become a thing of the past.

We wish wholeheartedly for this, because the road through Abkhazia is a vital road for Russia too. The paralysis of railroad communications is ruinous for all of us.

[Sarishvili] Let us concentrate on some of the details. It was reported on television that total mine clearance is not possible today. What is this—a display of distrust?

[Belchenko] No, and again no. The point is that the troops are tasked with going in within a very tight time scale. Therefore mine clearance will take place first and foremost in the sectors where checkpoints are to be established and people are to be stationed. The rest of the territory will be cleared later.

[Sarishvili] What reaction is envisaged in the event of armed provocations?

[Belchenko] If a battalion carrying the peacekeeping flag comes under fire, it will return fire for effect. Russia is sending its soldiers not to be killed, but to help establish peace.

[Sarishvili] And if Georgian-Abkhazian fighting flares up again?

[Belchenko] We are under orders to suppress any seats of fire, after a warning. But I do not think it will come to that, since the heavy equipment and artillery is to be withdrawn to a safe distance.

[Sarishvili] Have the peacekeepers had special training?

[Belchenko] At all events, they are not Spetsnaz [special-purpose forces]. They are regular servicemen, only rather better "welded together" and drilled.

[Sarishvili] How will disputes over houses unlawfully seized by mercenaries in Abkhazia be resolved?

[Belchenko] That question is not within my competence. But on the basis of the experience of the Tskhinvali region it can be assumed that the work of restoring

justice and sorting out all the problems will be carried out by mixed commissions under the protection of the peacekeeping forces.

[Sarishvili] Do you detect any signs of a thaw in Georgian-Abkhazian relations?

[Belchenko] Judging by Shevardnadze's and Ardzinba's remarks, there is a sense that contact is becoming a reality. This is also perceptible in people's mood.

[Sarishvili] Vasily Fedorovich, the question of Russian military bases in Georgia is also on the agenda. On what principle will they operate?

[Belchenko] Most likely on the basis of compensation. For instance, as we reduce the numerical strength of our units we will hand over to Georgia the housing stock, which can be regarded as a rent in exchange for the use of the territory.

[Sarishvili] A kind of military barter system?

[Belchenko] You could call it that. But the military camps are just one possible illustration.

[Sarishvili] What do you see as the points of contact of interests in military cooperation between Georgia and Russia?

[Belchenko] First and foremost, mutual membership of a system of collective security, which gives us a basis for mutually beneficial cooperation. Rather than each racking your brains to invent the bicycle, it is better to make use of the rich experience of the former Soviet Army. Talk of the "enslavement" of Georgia and the "imperial ambitions" of Russia seems to me to be idle or provocative. Colonel General Fedor Reut, commander of the Group of Russian Forces in the Transcaucasus, invites both the Georgian head of state and the defense minister to attend any of our measures.

It is in our interests to see Georgia a strong and prosperous state. Military cooperation will open up broad economic prospects. Why lose, for instance, the Batumi uniform factory with its trained personnel and production base? Why waste money on transporting goods unnecessarily when everything is already available? The same could be said of food and raw materials bases.

In conclusion I would like to mention the thoughtful and considered stance of head of state E. Shevardnadze. Today he has chosen, I believe, the only correct path—that of rapprochement, which I am sure will be to everyone's benefit.

Peacekeeping Forces Enter Abkhazia Conflict Zone

PM2806113194 Moscow KRSNAYA ZVEZDA in Russian 28 Jun 94 p 1

[Report by Petr Karapetyan and Sergey Prokopenko: "Russian Peacekeeping Soldiers Have Taken Up Positions Between Warring Sides. Our Special Correspondents Report From the Abkhazian-Georgian Border"]

[Text] Gali-Sukhumi-Gudauta—During the afternoon of 24 June two battalions of the 145th Motorized Infantry Division, having completed their march from Batumi, arrived in the vicinity of Zugdidi. They therefore came under the command of the eastern monitoring zone headquarters and took custody of three checkpoints and 10 monitoring and observation posts.

Restoration work is continuing on the railroad bridge across the Inguri river. Let us remind readers that similar work has already been completed on the road bridge. In our view, the following fact is pretty significant: All the work is being carried out, let us stress deliberately, by Russian peacekeepers. It is hard for the authors of this report to shake off the feeling that the local authorities on both sides of the Inguri have acted in line with the principle "here come the Russians; they will do everything themselves." That is in fact how things have turned out.

In our view, the situation in the western zone is somewhat more complex. Whereas the Zugdidi area has been practically cleared of Zviadist detachments, on the other bank bandit formations and detachments of marauders are running amok and shipping out booty by the truckload. The bandits have stepped up their activities because in the next few days the border will be closed, thus putting a stop to their "business."

Incidentally, a word or two about the border along the Inguri. Until the mountain passes were opened, it stretched for 82 km. We were informed by Abkhazian Defense Ministry spokesman Valeriy Gumba that with the opening of the passes its length increased to 100-110 km. In our view, this point needs to be noted. First of all, and most important, up to now there has been no political decision on the border. This gives both sides a pretext for defining where the border is as the prevailing situation dictates.

Second, the border as understood in the conventional sense does not exist. There is no border strip and no barbed wire. There is the river, and that is the border. In spring, when the snow started to melt in the mountains, the Inguri changed its course, and 13 Abkhazian guardsmen found themselves...on the Georgian side. Their punishment was short and brutal. Russian peacekeepers should be prepared for the fact that in certain border sectors, which it would be impossible to control even with all the available forces (a task which has not actually been set), there could occasionally be armed clashes. Our two mobile groups have been deployed on both sides of the Inguri to deal with this eventuality.

The western monitoring zone headquarters are located in Gali. Its "patch" comprises two checkpoints and 17 monitoring and observation points. Mine clearance in the deployment area in this region has been completed.

This situation "in the west" is also complicated as a result of the following factors. Under the agreed plan—which we have reported on—a 12-km security zone completely free of weapons is to be established on both

sides of the Inguri. This is the first inconsistency. Some time ago the Abkhazian authorities promulgated an edict allowing people to keep weapons. As far as we know, this edict has not been repealed and apparently there are no plans to repeal it. Consequently the likelihood that the principle "have gun, will shoot" will operate is fairly high.

We can even predict where this might happen. In the Kodori canyon, which is not a zone for which the Russian peacekeeping forces are responsible. Unburdened by the cares of having to guard the border, the commanders of Abkhazian and Georgian armed detachments are concentrating their forces in the Kodori canyon. According to information at our disposal, literally the other day a big detachment of Svanetians [Georgians] entered the canyon under the command of Emzari Ketsmariansi. It is not hard to predict the future course of events: If the tempo of the political settlement of the Georgian-Abkhazian conflict does not match the urgency of the moment, then the currently shaky peace could be blown to pieces right here in the Kodori canyon, deep in the rear of the Russian peacekeeping forces.

A decision was made 26 June to carry out a peacekeeping operation in the Georgian-Abkhazian conflict zone. We were informed by Major General Vasiliy Yakushev that he plans to complete the peacekeeping forces' engagement before 3 July.

Kozyrev To Meet With North, South Yemeni Envoys

LD2906093494 Moscow Radio Rossii Network in Russian 0900 GMT 29 Jun 94

[Text] Russia's Foreign Minister Andrey Kozyrev will meet with representatives of the south and north of Yemen in Moscow tonight to discuss the situation in this Arab country. Kozyrev will first receive the foreign minister of the united Yemen, Muhammad Basindwah, and then hold talks with Salim [Salih] Muhammad, the emissary of south Yemen. INTERFAX has learned this at the Russian Foreign Ministry. Observers note that each of the sides in the conflict would like to obtain Russia's support prior to a Yemeni discussion at the UN Security Council.

Official Denies Yeltsin Target of Athens Bombing

LD2706203494

[Editorial Report] Moscow Mayak Radio Network in Russian at 1245 GMT on 27 June carries a telephone interview with Andrey Olegov, a spokesman for Russian President Boris Yeltsin's security service, by Mayak Panorama correspondent Anatoliy Fedorov. In the interview, Olegov denies a report published over the weekend in MOSKOVSKIY KOMSOMOLETS under the title of "Assassination Attempt on Yeltsin?" The article says that on 24 June, about an hour before Yeltsin visited the Greek parliament building in Athens, an unidentified device exploded in the parliament building. The security

service's information on the incident indicates that an explosive device was planted near the entrance to the European parliament building a few hours before the EU summit meeting on Corfu. The blast caused panic but no injuries. President Yeltsin was attending the Corfu meeting at the time. The Athens police links this terrorist act with the Revolutionary Popular Struggle organization, which is opposed to Greek membership of the EU.

Olegov says: "In this case, then, this should primarily be regarded as a demonstrative act aimed against the Greek membership of the European Union, not as an act directed specifically against the representatives of heads of state who were present at the European summit on Corfu." He adds that the Greek police are investigating the incident.

Indian Premier's Visit To Focus on Military Cooperation

LD2906071294 Moscow ITAR-TASS in English 0629 GMT 29 Jun 94

[By ITAR-TASS correspondent Vadim Byrkin]

[Text] Moscow June 29 TASS—The Indian Prime Minister Narasimha Rao begins an official visit to Russia today. Talks between the Indian prime minister and Russian officials will focus on problems of military and military-technical cooperation between Russia and India.

In technical respect, the Indian armed forces are predominantly oriented to Soviet-made and Russian weapons. According to the data available, 85 per cent of the military hardware in the Indian Navy are Russian-made, the Indian Air Force is equipped with Russian-made hardware up to 80 per cent, the Army—to 65 per cent and the Air-Defence Troops - to 100 per cent.

Russia, which had faced the threat of the loss of the Indian market which would have resulted in tens of billion dollars losses, after a certain stalemate in this sphere, finally determined the Indian direction as one of those of priority importance.

At present, Russia is not only supplying spare parts to the Russian-made hardware, but sells licenses for the production of weapons in India. Russian and Indian firms signed an agreement on the creation of a joint venture for servicing aircraft of the "MiG" series and producing spare parts for them. During the Indian prime minister's visit to Russia this document is expected to be approved at a government level. The modernisation of jet-fighters of the "MiG-21" series used by the Indian Navy will begin in the near future under a contract worth 350 million dollars. These jet-fighters will be equipped with controllable missiles, new systems of controlling weapons and modern equipment on board.

The program of the production of jet-bombers of the MiG-27 series according to the Russian license is expected to be carried through in a year's time. A total of

120 such bombers had already been built, which makes up two-thirds of the planned amount. India intends to use its industrial potential for the production of a new type of jet-fighters of the Su-30 series. According to the data available, Moscow is prepared to offer about 30 "Su-30" jet-fighters on credit to India and sell a license for their production.

In June, 1994, a high-ranking delegation of the Indian Defence Ministry led by the Air-Force Marshal Krishnaswami discussed these problems in Russia and visited the Irkutsk aircraft building plant, where the trials of the new jet-fighter were held. Indian experts qualified the "Su-30" jet-fighter as a plane, which in its technical characteristics equals the American "F-18" and the European "Tornado" jet-fighters and surpasses the F-16 and the French "Mirage-2000" aircraft. The "Su-30" is equipped with a 30 millimeter-caliber gun, 10 missiles of various types and equipment which enables to refuel the aircraft in the air, which maximally improves the aircraft's capacity to spot and destroy targets both in the air and on the ground.

India might possibly buy 30 jet-bombers of the "MiG-29" type and six jet-fighters of the "MiG 29YB" type worth around 780 million dollars. In mid-May, a series of contracts for the construction of missile boats, frigates and border guard ships in India under Russian licenses were signed in New Delhi by the director general of the Russia "Rosvooruzheniye" company, Viktor Samoylov. All main units, completing parts and weapons for these ships will be supplied by Russia.

Both Moscow and New Delhi officials believe that the Indian prime minister's visit to Moscow is expected to give a new impetus to the development of military-technical cooperation between the two countries.

Rao on Visit, Relations With Russia

LD2806182294

[Editorial Report] Moscow Ostankino Television First Channel Network in Russian at 1100 GMT on 28 June carries a report on an interview with Indian Prime Minister Narasimha Rao by correspondent Georgiy Kirichatyy in New Delhi.

Regarding Indian-Russian relations, Kirichatyy quotes Prime Minister Rao as saying, "Relations between Russia and India have always been good, but especially since President Yeltsin's visit to our country last year. We managed to resolve a number of the most difficult questions which arose as a result of the changes taking place in Russia. We have now reached the stage where we have the opportunity to make faster progress. I hope my visit and the various agreements to be signed will give new impetus to the development of Russo-Indian ties. Russia and India need each other." "They need to work together."

Soskovets Initiates Agreement on Nuclear Use

LD2806175294 Moscow *ITAR-TASS* in English 1505
GMT 28 Jun 94

[By *ITAR-TASS* correspondent Oleg Velichko]

[Text] Moscow June 28 TASS—First Russian Vice-Premier Oleg Soskovets suggested today to conclude a Russian-IAEA agreement on the regime of nuclear energy uses at a meeting with IAEA Director-General Hans Blix.

Russian Minister for Nuclear Power Engineering Viktor Mikhailov told *ITAR-TASS* that the agreement will aim to establish partner relations in peaceful uses of nuclear energy. He hopes that the former Soviet republics that have nuclear power plants will join the IAEA and sign a similar agreement. Russia will help this process, he said.

In 1994 Russia plans to pay part of its debt to the IAEA at a sum of 11 million U.S. dollars. The overall Russian debt to the international organization is estimated at 40 million U.S. dollars.

In his turn, the IAEA director-general called on the Russian side for the soonest completion of the construction of nuclear energy-producing facilities. He said that delays are simply not economical. He is also concerned over Russian non-joining of the Paris and Vienna conventions under which specialists from the state guilty of a nuclear accident carry full responsibility for it. In the words of Soskovets, not a single state was affected more than Russia by the Chernobyl nuclear accident.

O. Lobov Talks With Mongolian Counterpart

PM2806145194 Moscow *KRASNAYA ZVEZDA* in Russian 28 Jun 94 p 3

[Report by Sergey Sidorov: "Russia and Mongolia: Cooperation in the Security Sphere"]

[Text] Regional and international security, the strengthening of Mongolia's nuclear-free status, and the fight against crime, international terrorism, and trafficking in arms and narcotics are the priorities in cooperation between Mongolia and Russia in the security sphere as defined by J. Enhsaihan, secretary of the Mongolian National Security Council, during his visit to Moscow. A joint communique was signed on the results of his talks with Russian Federation Security Council Secretary Oleg Lobov.

Questions relating to the settlement of Mongolia's foreign debt and the development of military-technical cooperation were also discussed during the talks. An accord was reached on a return visit to Ulaanbaatar by the Russian Federation Security Council secretary.

Official Comments on Talks

PM2806120194 Moscow *ROSSIYSKIYE VESTI* in Russian 28 Jun 94 p 3

[Unattributed report under the "Talks" rubric: "Discussion on the Two Countries' Security"]

[Text] J. Enhsaihan, secretary of the Mongolian National Security Council, visited Moscow last week. He was received by Oleg Lobov, secretary of the Russian Federation Security Council. The conversation was constructive and friendly in character and was held in an atmosphere of complete mutual understanding.

An accord was reached that in the near future the secretary of the Russian Federation Security Council will pay a return visit to Mongolia during which a memorandum on cooperation between the Russian Federation and Mongolia in the national security sphere will be signed.

The sides listed the following priority areas for cooperation: regional and international security, the strengthening of Mongolia's nonnuclear status, economic security, and the fight against crime, international terrorism, and illegal trafficking in weapons and narcotics.

Positive Aspects of EU Deal Highlighted

PM2806105794 Moscow *KOMSOMOLSKAYA PRAVDA* in Russian 28 Jun 94 p 7

[Report by Yelena Kalyadina: "Peter the Great Opened a Window onto Europe but Boris Opened a Door. Russia in Partnership and Cooperation with the European Union. A Successful Choice, It Seems"]

[Excerpt] Corfu-Moscow—Russian foreign policy has made a headlong rush into the West's embrace. Confirming by his signature in Brussels Russia's agreement to take part in NATO's Partnership for Peace program, Andrey Kozyrev picked up a new document and headed immediately for the Greek island of Corfu. The following day the 12 leaders of the European Union [EU] and Boris Yeltsin signed the agreement on partnership and cooperation.

Emerging from the solemn ceremony into the throng of waiting journalists with a smile as dazzling as the sun over this stunning Greek island, Boris Nikolayevich gave the following reason for that smile: "The agreement is good for us. Because it removes Europe's discriminatory approach toward economic ties with Russia and thereby averts a new 'cold war'—an economic one—which was looming."

I think that we ordinary Russians should share the president's joyful satisfaction. Why?

First, we have every reason to be proud of the fact that we signed this document not as some poor relative who had suddenly turned up but as equal partners. True, we were not the first of the former brothers from the former

Union with whom Europe has officially formalized its ties. That was Ukraine. However, for Russia, which is now experiencing far from the happiest times in relations with its independent [samostiynny] neighbor, this is certainly no cause for sorrow. The laurels that the EU bestowed on Ukraine for coming first does not mean that the EU is banking on Kravchuk, for whom the agreement undoubtedly was a trump card in the election campaign. In the past the EU had quite a few criticisms of Kravchuk's economic course. The Europeans were also alarmed by the Ukrainian saga over the non-nuclear status. But by offering Ukraine partnership and cooperation, the EU secured a means of influence over it. The latest example of that is the decision adopted on Corfu on the closure of the Chernobyl Nuclear Power Station. In addition, the agreement with Ukraine does not promise it the degree of equality which is envisaged by the agreement with Russia.

To be fair it has to be noted that we did not get our equality easily. Initially the EC (as it then was) offered us something that was more the illusion of equality.

Gradually and—paradoxically as it may seem—under the pressure of our domestic political confusion, the Europeans succumbed. But at the talks that were held two substantial stumbling blocks remained—uranium and banks. France, which accounts for 60 percent of the stocks of enriched uranium in the EU market, was afraid of an “explosive” influx of cheap nuclear materials from Russia. Just 10 days before the signing of the agreement a compromise was reached whereby Russia's nuclear materials were included in the agreement along with other commodities while the EU retains the right to use certain instruments of commercial protection until 1997. Finally, Boris Yeltsin's recent edict lifting the ban on the activity of five foreign banks in Russia also removed the final question mark over the Greek accord.

So what are we getting out of it?

In the political sphere our relations with the Europeans are moving toward the kind of level that they have with the United States and Japan. It is envisaged that the EU and Russia will coordinate their positions on the main international questions and, if necessary, will put forward joint political initiatives.

Then there is the economy. First and foremost, the EU is ceasing to consign us to the category of countries with a “state trade system” (that provision, incidentally, is absent from the agreement with Ukraine). And this means that the opportunities for using tough anti-dumping measures against us are limited.

Unfortunately, while accepting certain concessions in the trade sphere, our partners remained inflexible on many other questions. Europe is still afraid of a “Russian invasion” and therefore our fellow citizens will still have to wait in line for visas and, having got one and finally reached their desired foreign land, they will have to spend a long time looking for work. Unfortunately the European Investment Bank, which finances major

projects including those in the infrastructure, remains closed to us. Incidentally, one of the questions at the meeting on Corfu was the European program of “grand construction projects.” This program envisages the construction of 11 projects within the general European transportation system, such as high-speed rail links, combined road and rail links across the Alps, and a highway which will link northern Europe and southern Greece. The amalgamation of the EU countries' energy systems falls into the same category. And even though Chancellor Kohl recently expressed in public his dream of the time when “it will be possible to board a train in London, cross the whole of Europe, and get out in Moscow,” that dream remains unrealizable at present. We have not been invited to take part in those projects.

Generally speaking, even though Boris Nikolayevich spoke eloquently on Corfu about the fact that “we are opening the door wide to peaceful and fruitful contact between our states and peoples,” that door, albeit a wide one, has not been flung open to us—rather, it is merely ajar. However, that is also understandable. After all, in its level and structure the Russian economy will long differ from the European economy, which means that it will be difficult for us to keep in step with “big-league Europe.” Nevertheless, that is no cause for sorrow. Who said that Europe must mean the EU? Why not strive for broad, pan-European cooperation while remembering to keep our eyes on the boundless expanses of the CIS. [passage omitted]

Karasin Deplores Latvian Citizenship Law

PM2806114594 Moscow ROSSIYSKIYE VESTI in Russian 28 Jun 94 p 3

[Report by Pavel Shinkarenko under the “Human Rights” rubric: “Open Challenge to Humanitarian Principles”]

[Text] On 21 June the Republic of Latvia Saeima adopted a law on citizenship. This is a legal act of unprecedented content which essentially deprives the vast majority of ethnic Russians permanently resident in the country of any realistic possibility of obtaining Latvian citizenship.

“The law contains elements of ethnic discrimination and enshrines a principle rejected by international experts—quotas for the naturalization of permanent residents of Latvia, which in general terms will not begin until the year 2000,” Grigoriy Karasin, director of the Russian Federation Foreign Ministry Information and Press Department, told ROSSIYSKIYE VESTI. “This means that on the threshold of the 21st century, a state which considers itself democratic and governed by the rule of law has taken another step aimed at legal discrimination against hundreds of thousands of inhabitants of the republic and the formation of a multiethnic state.”

The diplomat believes that official Riga embarked on this path long before the adoption of the present law. Immediately after acquiring independence it stripped

non-indigenous residents of citizenship and began to discriminate specifically against them in the political, social, economic, and other spheres. To this end a whole series of state decisions has been adopted. They include the law on elections to the central and local organs of power, the law on state service, the law on languages, the law on election campaigning, and additions to the laws on the entry and residence of foreigners and on the police which seriously worsen the situation of hundreds of thousands of non-Latvian residents.

It goes without saying that this step by the Latvian authorities did not go unnoticed elsewhere, especially not in Russia. The day after the vote, statements condemning Riga's actions were issued by the Russian Federation Foreign Ministry and other state organs and public organizations and on Friday the Federation Council appealed to the parliaments of the CSCE member states. The deputies' appeal notes, among other things, that the law was adopted "despite the many protests of the international community and regardless of the recommendations of the CSCE, the Council of Europe, and a number of international experts." Thus, the senators stress, the Latvian authorities have "flouted public standards in the human rights sphere."

Moscow believes that the governments and public of the European countries must prevent Latvia's slide toward aggressive nationalism and the emergence of a center of tension in the Baltic region. For its part Russia will approach the further development of relations with Latvia in the light of the situation developing in Latvia over the law on citizenship.

Others Waiting for Russia, U.S. To Ratify CW Convention

PM2806110594 Moscow KRASNAYA ZVEZDA in Russian 28 Jun 94 p 3

[Article by Manki Ponomarev: "Opponents of a Chemical Weapons Ban Resort to Old Methods"]

[Text] Almost 18 months have now elapsed since the international Convention on the Prohibition of the Development, Production, Stockpiling, and Use of Chemical Weapons and Their Destruction was opened for signing. Since then representatives of approximately 160 countries have already signed this document.

Work on the convention lasted almost a quarter-century. Very complex problems were encountered. Although only three states—the United States, Russia, and Iraq—officially admitted that they possessed chemical weapons, in fact 20-25 countries had them. Also, until recently the political climate was not disposed to the adoption of an agreement that would have been acceptable to all.

In the final analysis, however, such a document was elaborated. It prohibits everywhere the acquisition, development, production, sale, or use of chemical weapons. All stocks and also production capacities must

be destroyed within 10 years of the convention's entry into force. Provision is made for monitoring of national chemical industry installations and for appropriate inspections to be conducted on a permanent basis, as well as inspections on demand, when any country is obliged to give foreign observers access to installations which have come under suspicion.

According to the terms of the convention, it will come into force once ratified by 65 participant states. This is expected to happen next year. At present, however, the ratification process is proceeding slowly. Just five countries have confirmed in legislation their adhesion to this act of international law. It is perfectly obvious that the majority of countries are waiting for it to be ratified by Russia and the United States.

In Russia the State Duma has now begun examining the convention, and preparations are under way to ratify it. The document is also being discussed in the U.S. Senate. Hearings on ratification of the chemical weapons convention were held recently in the Senate Foreign Relations Committee. The Administration's representatives at the hearings—James Woolsey, director of the CIA; General John Shalikashvili, chairman of the Joint Chiefs of Staff; and John Holum, director of the Arms Control and Disarmament Agency—pointed out that this international document, which prohibits an entire class of mass destruction weapons, meets U.S. national security interests.

On the whole the senators listened favorably to the Administration representatives. But it is no secret that there are also opponents of the convention in the United States. It can hardly be considered a coincidence that on the eve of the hearings the U.S. press launched a new campaign of accusations against Russia, which is allegedly "concealing its efforts" to develop the latest types of chemical weapons, including binary weapons.

THE NEW YORK TIMES has shown special zeal. It has repeatedly addressed this topic in the past few days. At the same time, not possessing any facts, since none exists, it has returned to the long-refuted "revelations" of the Russian chemical scientist Vil Mirzayanov in his sensational interview with THE BOSTON GLOBE. True, in passing, it made the reservation that "some of his frightening statements elicit a skeptical attitude." But this was only a reservation.

As far as it is possible to judge, the majority of U.S. congressmen still incline toward ratifying the convention. The speediest positive examination of this problem in our State Duma would obviously make a favorable impression on them. Although it would be perfectly legitimate to put the question this way: Ratification of the convention on chemical weapons in the U.S. Senate would also prompt Russian legislators to make such a decision.

TASS Correction on Importance of EU Agreement
LD2406125194

Moscow ITAR-TASS World Service in Russian at 1207 GMT on 24 June carries the following correction to the

item Yeltsin "Notes Agreement's 'Historical Importance'" published in the 24 June Central Eurasia DAILY REPORT on page three:

Column two, paragraph three, sentence one should read ///unification of efforts in the political and cultural spheres, in the field/// providing additional words.

Political Issues

Directive on Implementing Decree on Crime

LD2806164394 Moscow INTERFAX in English 1309
GMT 28 Jun 94

[Text] The additional powers granted to the law-enforcement bodies by the president shall only be used in relation to individuals suspected of banditry or membership in a group of criminals who have committed serious crimes, says the joint directive on the procedure of implementing the decree, signed by acting Prosecutor-General Aleksey Ilyushenko, Interior Minister Viktor Yerin and Director of the Federal Counterintelligence Service Sergey Stepashin.

The document says that the term "gang" shall be applied to two or more armed individuals who have formed a group for carrying out one or more attacks on organizations, enterprises or individual citizens.

Pending the initiation of legal action, checks on suspects' financial and economic activity, and property and financial status, shall be made only if reliable evidence is available pointing to the individual's or organization's involvement in criminal activity. Preliminary checks shall be made following the issue of a permit by inquiry bodies, approved by the prosecutor.

Prosecutors, investigators and specialists involved in the implementation of the decree shall be warned about their responsibility for disclosing or mishandling state and commercial secrets.

Banks and commercial organizations shall present documents on their financial and economic activity, and information about the deposits and operations of juridical entities and individuals involved in serious organized crimes, following the receipt of a motivated inquiry from the prosecutor, investigator or head of an inquiry body, based on a suit or results of a check.

An individual suspected of committing a crime and detained for more than three days shall have full access to the rights envisaged in the constitution and the Criminal Code, including the right to have a lawyer.

If there is sufficient evidence, charges shall be brought against the detainee, after which he shall be put in custody for a term of up to 30 days.

The directive instructs the prosecutors to take proper measures to reveal and exclude instances of illegal detention of citizens without prior checks on their financial and economic activity, and property and financial status, particularly the suspects' and defendants' relatives, physical entities and public associations. They shall also exclude actions which can inflict damage on citizens' property or reputation, promptly respond to complaints, take urgent measures to restore violated rights and initiate legal action against criminals.

Special Tax Planned To Finance Anticrime Program

LD2806164994 Moscow INTERFAX in English 1309
GMT 28 Jun 94

[Text] The Russian acting Finance Minister Sergey Dubinin has told Interfax that his ministry has submitted a draft law to the government on forming a special budget fund to finance the federal anti-crime program.

Dubinin said the fund should be formed in two ways. Firstly, a special account should be opened for voluntary donations. The other part of the fund could be formed with the help of an additional income tax. The suggestion is: incomes under 75,000 rubles a month would be tax-exempt. Between 75,000 and 300,000 rubles the rate would be 0.5 pct, between 300,000 and one million—1 pct, between one and two and a half million—2 pct, and over 2.5 million—3 pct.

Dubinin believes the tax would help collect 700 billion in half a year which is the sum necessary for financing the federal program according to ministry estimates.

"I do not know how pleasant that is politically, but if we approve a program and intend to carry it out, it should be financed and we do not have additional sources in the framework of the approved budget," the acting minister admitted. Thus, an additional, alternative source has to be found: these could be special bonds totalling 700 billion or one trillion rubles, Dubinin said.

Dubinin added that bonds could be distributed among legal entities and individuals on a voluntary basis. In any case without defining the source it is impossible to finance the program, therefore something has to be chosen, Dubinin said.

He added that the ministry does not fear to be sharply criticized for the proposed tax because it already is a target of constant attacks. Dubinin said that the proposal is being made at a time when the ministry intends to reduce the rates of several other taxes.

"I think this will be understood properly. I am ready to pay for my personal security. I might not be right, but I think that the majority of the population will understand", he concluded.

Militia General on Organized Crime, Anticrime Edict

PM2806153394 Moscow ROSSIYSKAYA GAZETA in Russian 28 Jun 94 First Edition p 1

[Article by Tatyana Korupayeva under the "Edict Adopted. What Now?" rubric: "Will We Be Able To Halt the Crime Wave?"]

[Text] The Russian Federation president's edict "On Urgent Measures To Protect the Population from Banditry and Other Manifestations of Organized Crime"

came into force yesterday. We continue the discussion of the merits and shortcomings of this document.

...On 13 May this year, in the village of Slobodka in Moscow Oblast's Klinskiy Rayon, staffers of the regional administration for combating organized crime "took" an armed gang. The criminals had brutally killed Militia Captain A. Grushevskiy. But first they had tortured him: There were 21 knife wounds on the captain's body, and they had drowned and burned him.... For what? They had demanded that he cooperate with an organized criminal grouping.

It is said that when they "took" the criminals, the residents of Klin yelled: "Kill them!" But not a mark was left on the bandits' corpulent bodies, so professionally were they detained.

Unfair? Yes. But staffers of law enforcement organs are not bandits.... The "work" methods (forgive the comparison) are different. One group has the law at their disposal, albeit a bad law, while the others are bloody inhuman people. Human life is nothing to them. It is against them that the Russian president's edict "On Urgent Measures To Protect the Population from Banditry and Other Manifestations of Organized Crime" must work.

Militia Colonel General Mikhail Yegorov, Russian Federation first deputy minister of internal affairs and chief of the Russian Federation Ministry of Internal Affairs Main Organized Crime Administration, has expressed his position on the edict's application.

In his opinion, the rejection of this edict by many officials and politicians is attributable to the fact that they themselves are businessmen and it is not to their advantage for law enforcement organs to gain access to commercial information or, more importantly, to be able to follow the tortuous paths along which their money proceeds.

As M. Yegorov pointed out, today there are more than 200 well organized and armed-to-the-teeth criminal groupings operating in Moscow alone.

Every month criminal groupings in Russia commit 1,500 crimes. More than 700 firearms are regularly confiscated from them, as well as material assets and money to the value of over 5 billion rubles. **Every month.**

Over the past 18 months alone proceedings have been instituted in 46 criminal cases connected with contract killings, which today have become the most effective means of eliminating the "enemy."

Corruption and organized crime in close tandem have penetrated all spheres of state management.

During 1993 alone the militia got rid of over 500 operational workers who had cooperated (sold operational information!) with criminal groupings. There were also ones who "did" "wet" jobs together with bandits. Criminal proceedings were instituted against them, and

they were dismissed from internal affairs organs. Several high-ranking officials were arrested in Vladimir Oblast, in Komi....

An analysis of the courts' verdicts in such a category of criminal cases as bribes is interesting. Last year 843 officials were convicted of this.

Roughly the same verdicts are passed for illegal gun running. Just 19 percent of criminals convicted under Article 218 of the Russian Federation Criminal Code are in jail. And the rest? Some are dead, some are far distant....

But the ones who really are "far distant" today are the leaders of criminal groupings released on bail [pod zalog] from Moscow Oblast courtrooms. Seventeen thugs safe and sound!

The dynamics of the growth in people released on bail [zalozhniki] is staggering. On 23 June 1991 there were two of them in Moscow. There were five on the same day in 1992, 16 in 1993, and 118 in 1994. This in Moscow alone!

According to recent data obtained from foreign law enforcement organs, 24 Russian criminal groupings are working in the United States and have a connection with the Cosa Nostra, and six go to Italy. Some 100 criminal groupings are oriented toward other distant foreign countries, and 200 toward nearby foreign countries (the former USSR republics).

Law Agencies Sign Instruction on Crime Edict

LD2806153094 Moscow ITAR-TASS in English 1135 GMT 28 Jun 94

[By ITAR-TASS correspondent Olga Semenova]

[Text] Moscow June 28 TASS—The chiefs of the Russian prosecutor-general's office, the Interior Ministry and the Federal Counter-Intelligence Service have signed a joint instruction about a procedure for the enactment of the presidential decree dated June 14 "On urgent measures to protect the population from banditry and other manifestations of organized crime", spokesmen at the public relations centres of the three agencies told ITAR-TASS on Tuesday.

The prosecutor's office, internal affairs and counter-intelligence agencies have been provided with practical elucidations, based on the current legislation, about the decree enactment procedure.

The document emphasises that "all efforts should be aimed at protecting the life and health of citizens, their rights and freedoms and at ensuring the realisation of current reforms and state security".

Joint operational investigation groups are being set up to expose gangs and other organized-crime associations. All investigation activities are to be conducted under a strict

procuratorial supervision which will be exercised by personnel to be detailed by the prosecutor's offices of all levels.

Special attention during operational investigation activities should be given to obtaining and recording factual data on specific criminal activities of suspects.

The three public relations centres state that "the enactment of the decree is aimed exclusively at putting a stop to the activities of dangerous criminals and at ensuring the safety of citizens". The public relation centres are to regularly inform the population of the outcome of anti-crime efforts.

'Hostage Drama' Resolved in Southern Russia

LD2906100394 Moscow ITAR-TASS in English 0938
GMT 29 Jun 94

[By ITAR-TASS correspondent]

[Text] Moscow June 29 TASS—The third hostage drama which took place in the southern Russian city of Mineralnyye Vody over the last six months ended successfully on Wednesday morning and was the shortest among the three.

Two days after police announced a major crack-down on crime, three gunmen seized a bus with some 40 hostages heading for the southern city of Stavropol and demanded two helicopters and 5.8 billion US dollars.

The drama began at 16.00 hours Moscow time (13.00 GMT) and ended early next morning.

The hostage-takers were seized in the rebel Russian republic of Chechnya and the ransom retrieved. All hostages were safely freed. This was the shortest drama. The first one which took place last December 23 continued for four days, the second one lasted 24 hours.

All the three had practically the same scenario. A bus with hostages was seized, terrorists demanded a multi-million dollar ransom, guns and drugs and tried to escape on a helicopter somewhere in the mountains, preferably in Chechnya where crime rate is extremely high.

All the three times the terrorists were seized, hostages freed and ransom retrieved.

It is noteworthy that terrorists are no longer hijacking planes abroad as it used to happen in Soviet years, but prefer to remain in Russia with huge amounts of hard currency.

Russian commandos fighting terrorists had also changed their manner of action. In Soviet years they did everything possible to prevent a hijacked plane from crossing the border. Thus, nine passengers were killed and the plane completely destroyed when commandos stormed a hijacked craft in March 1988 which landed in St. Petersburg for refuelling.

After the tragedy the anti-terrorist groups focused mostly on saving the lives of hostages rather than seizing terrorists. However, this might have made terrorists no longer fear resolute actions against them.

The three hostage dramas clearly show a new tendency in the Russian crime record. It is also evident that the failure of terrorists to escape does not stop their successors. Hardly anyone can say for sure that the Mineralnyye Vody airport would not face yet another hostage drama in future.

Shumeyko's Proposal Arouses Controversy

LD2806143294 Moscow INTERFAX in English 1309
GMT 28 Jun 94

[Text] Members of the Conciliatory Commission for the implementation of the Civic Accord Agreement have different views on the idea of prolonging the powers of the parliament and president, proposed by Federation Council Speaker Vladimir Shumeyko.

Mayor of St. Petersburg Anatoliy Sobchak told the first plenary session of the Commission on Tuesday that he viewed this measure as an attempt to solve a social problem by violating the Civic Accord Agreement. Sobchak was supported by President of the Russian Union of Manufacturers and Entrepreneurs Arkadiy Volskiy, who proposed that the Commission condemn Shumeyko's statement. Volskiy said that Shumeyko's proposal had given rise to the movement for recalling the deputies.

Vice-Chairman of the Federation Council Ramazan Abdulatipov opposes all statements of condemnation because, he said, this means a roll-back to the times when the Communist Party "condemned all kinds of dissidence." His position was supported by chief of the president's staff Sergey Filatov.

However, Filatov backed the proposal by representative of the Liberal-Democratic Party Vishnyakov, who condemned Foreign Minister Andrey Kozyrev's phrase about the opponents of Russia's participation in NATO's Partnership for Peace program. In a TV interview Kozyrev described them as "red-brown political bastards". On Filatov's initiative, the Conciliatory Commission instructed Academician Vladimir Kondratyev to draft a statement on unparliamentary expressions. "If we are to appease society, we must choose expressions which do not discredit state leaders," said Filatov.

The president's aid Georgiy Satarov told Interfax that formally Shumeyko's proposal did not contradict the Civic Accord Agreement. This document says that early elections unstipulated in the Constitution are inadmissible. "In this particular case, the extension of powers after the expiration of the term is meant," said Satarov. "Theoretically, such a possibility cannot be excluded, but one must seriously assess whether or not to make such a step," he said. Whatever the circumstances, the

final decision is to be taken by the electors, who must state their opinion in a referendum, said Satarov.

Agrarian Group Says Policy 'Ruining' Sector

LD2806183894 Moscow INTERFAX in English 1711 GMT 28 Jun 94

[Text] The government's policy is aimed at ruining the agro-industrial complex (AIC), it fails to meet the requirements of the country's food security and makes Russia dependent on industrialized countries in the future, the agrarian policies committee of the Council of the Federation has said in a "Political Statement" sent to the mass media.

Agrarian members of parliament described the situation in the AIC as catastrophic and requiring urgent economic measures. For instance, farm produce this year will decline 45-50 percent against the average level of 1986-1990. Gross grain production is estimated at no more than 80 million tonnes (as compared with 99 million in 1993 and 106.8 million in 1992). In livestock farming the number of cows is down to the level of 1970, and sheep, at the 1952 level.

The statement dwells at length on the falling production in farm machine turn-out, the curtailed social programs in rural areas and other negative effects of reforms in the AIC.

The committee demands budgetary allocations for the agrarian sector in 1994 in keeping with the government's resolution of February 23, 1994 as well as protectionist measures.

A member of the committee's technical staff told Interfax on the condition of anonymity that none of the committee's leaders had been invited to the meetings of agrarians with President Yeltsin on June 27.

Agrarians No Longer Trust Yeltsin on Reform

MK2906104094 Moscow KOMMERSANT-DAILY in Russian 29 Jun 94 p 3

[Olga Garbuzova report: "Agrarian Party Holds News Conference. Agrarians Have Taken President at his Word One Last Time"]

[Text] At yesterday's news conference, leaders of the Russian Agrarian Party faction shared with journalists their impressions about their earlier meeting with the president. Pointing out that the conversation was constructive, the representatives of the agro-industrial sector said at the same time that it was the last time they believed Boris Yeltsin's intention to change his methods of agricultural reform.

Although, the participants in the meeting themselves said, the president kept mostly silent and the agrarians mostly complained, the latter presumed after the conversation that the president is ready to change the methods

of reforming agriculture. The promise of regular meetings with the president inspired optimism among the agrarians: in their view, this will help the president get an idea about the situation in the agriculture. For the time being, however, Deputy Vasilii Vershinin said, "the president has a distorted idea of it and believes that things are going pretty well." The agrarians tried to change this view and thought the conversation with Yeltsin was constructive. According to Deputy Aleksandr Davydov, "we do not expect revolutionary changes from these meetings, but we hope that some mistakes made during economic reform will be corrected."

Their hopes are scarcely justified, however —according to reports by the presidential press service, the agrarians were promised that reform in the countryside will proceed within the framework of the general reform strategy. It is hard to see in these words a readiness to change the course of agricultural reform, but the deputies saw just that. Moreover, participants in the news conference said that it was the last time they took the president at his word. They could not coherently explain, however, what they would do if the president fails to deliver. Obviously, the agrarians cannot do anything more menacing than stage a token Day of Peasants' Protest, which was organized last summer and failed to have any significant impact on the government. Undoubtedly, the authorities would like to see the Agrarian Party sign the Treaty on Public Accord, but the defiant agrarians said in the news conference that they are not going to do so. Evidently, so intransigent a stance will further weaken the authorities' desire to meet the agrarians halfway.

FCS Group To Relocate Near U.S. Compound

MK2806115094 Moscow KURANTY in Russian 28 Jun 94 p 3

[Nikolay Popov report: "The Federal Counterintelligence Service Changes Premises"]

[Text] As your correspondent has learned from an informed source, the nation's pride—the Federal Counterintelligence Service [FCS]—is changing its "haunts." Its Material and Technical Department, hitherto located at the metropolitan Pekin Hotel, seems to have been plagued by...cockroaches, mice, and other rodents which have proliferated in great numbers. The FCS is no less concerned about the deplorable physical condition of the "guest house." In many places the peeling plaster threatens to fall right onto one's head. Aware of their responsibility for the Motherland, the management of the famous hotel decided to close down for a major renovation and sanitation cleaning. Therefore the FCS had to look for a new place.

This time the intelligence people took a liking to the Mir hotel [across from the U.S. Embassy] where not an extra speck of dust can be found, let alone cockroaches! The conclusion of a secret 10-year leasing agreement is in the

final stages, whereby the FCS Material and Technical Department will have eight floors in the Mir—from the fourth to the 11th.

Stepashin Stresses Violation of Criminals' 'Rights'

LD2806193294 Moscow INTERFAX in English 1839
GMT 28 Jun 94

[Text] The political council of Russia's Democratic Choice party led by Yegor Gaydar declared on Monday that it is going to urge President Boris Yeltsin to dismiss the Director of the Federal Counterintelligence Service Sergey Stepashin, if the latter refuses to disavow his statement that he is "for the violation of human rights, if the person in question is a gangster or a criminal."

The chief of the public relations center of the service Aleksandr Mikhailov said that when Stepashin spoke of the violation of human rights at a conference at the office of the Prosecutor General on June 23 he meant the violation of the right "to kill, rob and rape" assumed by criminals.

According to Mikhailov, the attitude of Stepashin who was the head of a parliamentary committee investigating KGB activities in 1991 is clear and definite: To combat crime a solid legal basis should be built and law enforcement bodies should act accordingly. The head of the PR center said that in implementing the presidential decree counterintelligence intends to base its actions on such legal grounds.

Intelligence Spokesman Attacks Call by Gaydar Party

LD2806133794 Moscow INTERFAX in English 1111
GMT 28 Jun 94

[Text] Russia's Democratic Choice leaders' plans to remove Director of the Federal Counterintelligence Service (FCS) Sergey Stepashin from office is "yet another attempt to play the political card and distract the attention of the public from the president's efforts to combat crime," FCS spokesman Aleksandr Mikhailov told INTERFAX on Tuesday.

The party's political council, led by Yegor Gaydar, announced that it would insist on the resignation of Stepashin if the latter did not distance himself from the earlier made statement that he was in favor of violating the rights of the individual, if this individual is a criminal.

Mikhailov said that by making such a statement during the enlarged session of the Collegium of the Prosecutor-General's Office on June 23, Stepashin meant the right "to kill, rob and rape", appropriated by criminals.

He also said that Stepashin, the chairman of the former parliamentary committee for investigating the activities of the KGB, had a clear position: the campaign to combat crime must be put on a solid legal footing. The

counterintelligence personnel intend to act in strict accordance with legal acts while implementation the presidential decree on combating organized crime, said Mikhailov.

He said the people who are trying to play the FCS card once again must not forget President Yeltsin's statement that "a strong Russia needs strong special services."

Legal Proceedings Against Gaydar Postponed

LD2906110594 Moscow INTERFAX in English 1015
GMT 29 Jun 94

[Text] Legal proceedings against the leader of Russia's Democratic Choice, Yegor Gaydar, on charges of slander planned for June 29 failed to take place because Gaydar's representative failed to appear in court. The appeal was initiated by leader of the Liberal Democratic Party of Russia (LDPR), Vladimir Zhirinovskiy. Legal proceedings will be held on July 7, the court decided.

Gaydar's representative, his lawyer Genri Reznik sent a notification to the court saying that he was overloaded with current affairs, that he had to go on a trip on business and that he would go on holiday from July 26. Reznik asked to postpone the proceedings and demanded that they be held not earlier than September 10.

Zhirinovskiy initiated an appeal against Gaydar after Gaydar published the article "A Stake on Villains" in the IZVESTIYA newspaper. In the article Gaydar called Zhirinovskiy a "fascist populist."

Gaydar Outlines New Party's Aims

PM2906101194 Moscow TRUD in Russian 28 Jun 94
pp 1-2

[Article by Yegor Gaydar, leader of "Russia's Democratic Choice" party: "We Are Not Building Paradise—We Are Trying To Build a Normal Life"]

[Text] The first congress of our party, "Russia's Democratic Choice," was held 12 June. Why are we creating it? Why have I, who am not overfond of "party building," considered it my current duty to spend all my efforts and time on creating the party?

To avoid getting bogged down in details and in order to highlight the main points, I offer an initial perspective. Let's imagine that we—like Solzhenitsyn and his family, for instance—have not been in Russia for 20 years and have now returned. We were expelled from the USSR in 1974 and we are returning to Russia in 1994 and traveling from the East to Moscow.

I think that as conscientious people we will single out several main features characterizing Russian life today.

The nauseating, decaying system of state hypocrisy has disappeared. It is a case not only of freedom of speech, political freedoms, and so forth. The newspapers and

television are not filled solely with politics. For all their shortcomings—persistent and crude advertizing and other unpleasant elements—people nonetheless see life in the mirror of the mass media. After all, in 1974 what we had was simply a mad country. We were told lies to the effect that there were no poor people, no crimes, no ecological or other man-made problems in the USSR—there was just shock labor, the issue of orders, and a “sense of profound satisfaction.” This cardboard lie has disappeared—and it is stupid to argue about whether that is good or bad. The new life is real, the former life was fictitious.

Much else has disappeared with the lies—party meetings, interference in private life by the state, fear of the KGB and informers, the constant feeling that “abroad” was some kind of sweet “forbidden fruit.” The world has been opened up to us from all sides. You can go wherever you like as long as you have the money, you can get any currency, we have any information about other countries, we can watch all their movies, buy any of their goods, and so forth. From being a camp-country we have become an open country. Once again: There is much that we may not like in the outside world and in our own country but we can choose, our blindfold has been taken away. Our life is not ideal, it may be bad, but it is real, not a life made up for us by someone.

The lines—a main feature of the Soviet way of life—have disappeared. By Western standards we have a very poor range of goods and insane prices. But let's think—if goods, including necessities, have increased in cost so insanely, why are people mostly calm, why are there no general strikes, and why—thank god!—are there no barricades, rebellions, and so forth? Why do all the calls of the “intransigent opposition” remain just talk, however much they try to provoke the people to violence? The answer is obvious. If life had indeed deteriorated drastically the country would long ago have been drenched in blood. Yes, life is hard, often unfair. But if we compare it not with paradise but with what we were used to, the conclusion is clear: As a whole we have not started to live worse. An apartment, an automobile, and simple respectable clothing and food were always almost inaccessible to an honest man while thieves—both state thieves (the nomenklatura) and ordinary criminals—always had all that in abundance. Today life has become a little more normal: We no longer have to “chase after” things and get them on the black market in humiliating circumstances. We “only” have to earn money—and today that is the chief, the only problem of a normal person.

That can be put to the credit of “perestroika” and then the reforms. We have stopped standing on our heads—although, alas, we have not yet found our feet.

Hence the first aim of our party. It has gathered together those who are active builders and supporters of today's hard but natural human life. And our first “conservationist” task is to prevent a return to the old ways.

We also adopt a “conservationist” stance on military-strategic questions.

In other words, we are opponents of demagogic plans to restore the USSR's military-imperial might. Matters can go no further than demagoguery here—in reality Russia has no strength for such a resurrection. But this demagoguery itself, which distracts people from real tasks, is also very dangerous, especially as what are incredible funds for peace time—over 20 percent of the budget expenditure goes on the army—continue to be spent to the accompaniment of this demagoguery. We are in favor of a relatively small, mobile, combat-capable, professional army. Of course such an army will not give us the opportunity to maintain superpower ambitions but Russia cannot afford them and does not need them. Russia must consciously leave the race for a place as a superpower. In fact that is what has happened.

The same applies to borders. We have the precise borders of the Russian republic. Attempts to revise them and to expand them can only lead to catastrophe—you only have to look at Karabakh to understand what “territorial disputes” are. The USSR cannot be restored—however badly the CIS republics may be living they will not surrender their independence just as there is no country in the world which will surrender it voluntarily. But for Russia it is not only impossible but unnecessary to restore the USSR—Russia has always been the giver to the “fraternal republics” and indeed to other “fraternal” regimes—in Angola, Cuba, and Afghanistan.... These are all vestiges of the imperial trumpery which gratify some people's vanity but which the country cannot afford today.

Normal economic relations with the CIS republics are being set up and will develop without solemn oaths—it is simply that they are more interested in this than we are. Incidentally, we should not reduce trade problems to interstate relations. Enterprises, dealers, and bankers will find for themselves and already are finding partners—we are simply doomed to collaborate. But collaborate as equals. We shall not sacrifice the interests of Russia, the Russian economy, and Russian people to maintain a “single and indivisible” power.

The defense of Russians' rights is a special issue. To be honest, Russians in Central Asia and the Transcaucasus have always been “second-class” people. When—while we still had a united USSR!—the first pogroms against Russians occurred in Dushanbe (1990) Moscow kept silent in fear—to avoid offending the “fraternal republic.” The great empire never cared a jot for the interests of the individual person and sacrificed them for the sake of imperial interests. It is here that Russia must display vigor—only, of course, it must not fuel hysteria, not squeal and wave its arms “Zhirinovskiy-style.”

But the main tasks for which we are creating the party are not to preserve what has been achieved but to help advance along the path of reforms.

The main problems lie in the economic sphere. And it is here that the question is being decided of whether Russia will become a great power in the modern sense of the world and join the ranks of the leading countries or will be a semicolonial country with nuclear weapons and a large territory.

We have one global economic aim: freeing enterprising people from the state's fetters, and then they will raise Russia as destroyed Germany, Japan, the previously backward Korea, and other countries were raised up after the war. Capitalism is not an ideal system, it is simply that nothing better has yet developed in the world. Only private interest can be a real motivating force of progress. For that we need several conditions: We must facilitate and simplify the creation of new enterprises, develop a simple and stable taxation policy, where possible avoid stifling small enterprises with taxes, promote the creation of a normal credit system, and firmly elaborate a bankruptcy mechanism. The main thing is political stability, when a person knows for sure that the state protects his property. These conditions can in general become the point of departure for the most mobile section of business—small business. Small enterprises are closest of all to the real owner, they are less subject to bureaucracy and react flexibly to the market.

A more complex issue involves large-scale military production. We should not fear the slump which is now taking place. In a certain sense this is a correct and inevitable process and a necessary element in structural restructuring. After all, we can sense for ourselves that production is declining but the living standard is not declining with it. That means the lion's share of what is no longer being produced was not vitally necessary.

But something else is also obvious. The decline in production has two main negative aspects:

Unemployment. Serious in itself when it exceeds a certain level, it threatens to cause a mass sociopolitical eruption.

The collapse of high-technology production. It threatens to relegate Russia to the ranks of the third world countries.

Three tasks stem from this:

- Creating new jobs, primarily in the construction sphere. The construction of housing, roads, and the entire infrastructure is a necessary and very promising business. It could quite well draw into its orbit a substantial proportion of people who are without work and enterprises which are changing their profile.
- A "selective" point-by-point policy for supporting promising high-technology production facilities.
- Help for competitive industry. For this we do not need to engage in "head-on" protectionism—that leads only to monopolism and the stagnation of production. But we need to do everything to encourage (tax benefits, guarantees of noncommercial risks, and so

forth) the creation of joint production facilities and the introduction of modern technology into our industry.

All this is closely linked with financial policy. The stable upsurge of the necessary production facilities and the normalization of the economy are impossible under conditions of high inflation. Thanks to a reduction in the growth rates of the money mass last fall to 10 percent a month by this spring inflation had been successfully reduced to the same level. But that is still a very long way from the financial stabilization needed for serious investments in production.

Everyone understands that financial discipline is essential. Everyone knows that a production slump is inevitable. It is obvious to everyone that "growth spots" in the economy are connected primarily not with "giants in the desert" but with the swarm of small and medium private enterprises. That is the theory, common sense, and interest of society and the state. Realistic policy is made not so much under the influence of these general matters as under the influence of personal and group interests.

Today's policy is a policy pursued by a bureaucracy in the interests of a bureaucracy. Bureaucracy is not a swearword. It is a social stratum of managers, primarily economic managers, a stratum that is specific and is needed in the country. But Russia's trouble has always been that it is not the bureaucracy that has worked for the country but the country that has worked for the bureaucracy. The officials' interests are the same—controlling the distribution of financial wealth and material resources. They will not help all private business—only those businessmen who have become 'theirs,' who have grown akin to them, and who give bribes. They will not help renew leader cadres at enterprises—they will not remove themselves! Any written law (on bankruptcy, on the sale of loss-making enterprises, and so forth) they will in practice distort in their own way.

So we see our social and political goal in ensuring that it is not bureaucracy but society which becomes the decisive political force. There is one path here—reducing the degree of state influence on the economy. Demonopolization and privatization should serve this goal. But laws alone are not enough here—what is needed is a strictly oriented political will. The will of a party which sets as its task the transformation of a bureaucratic society into a civil society.

The struggle against bureaucracy is no less important (and difficult!) than the struggle against crime. Only by placing both under control will we be able to "expand" the social area and give breathing space to vigorous, lively people who are the only ones on whom we can pin our hopes as builders of the future Russia. In just the same way the destruction of the tough bureaucratic system will make our society open—open not to the outside world but "internally open," so that a person will be able to move far more freely than at present within the social area, achieving everything by his own abilities and

not by bureaucratic connections. That is not only a condition for economic progress but exceptionally important of itself—important for the reaction of a more human, humane, and normal society..

I have not listed all the party's aims. But the main thing is clear: We are in favor of a normal path of development for Russia, in favor of private ownership and democracy. We are against imperial ambitions: territorial, military, bureaucratic, and ideological. They say that today our slogans are "unfashionable." Perhaps. But they are based on common sense.

Hence our methods. The methods of a calm, correct policy. We are not building paradise—we are trying to build a normal life. Violence is not our method, and, moreover, we know how ineffective it is. At the same time in some situations we cannot avoid it—however sad it may be, I do not dissociate myself from the government's 3-4 October actions, I take responsibility for them and continue to see no alternative to them. Only thus could we trample underfoot the embers of civil war. We are in favor of an open society and an open policy, including open, tough, but persuasive and precise polemics. I hope no one will accuse either the party or me personally of demagoguery and vagueness.

We are in favor of a party with clean hands. That is what all politicians say, but it seems to me that we have real grounds for this. At any rate I do not know which of our active workers could have been accused of corruption even once. Those democratic politicians whose reputation was not irreproachable have left "Russia's Choice" one way or another or initially belonged to other parties. On the other hand those who are known as decent people who do not chase after money and position but on the contrary have been imprisoned for their convictions, support our party. Almost all the former dissidents in the State Duma belong to the "Russia's Choice" faction.

We are not romantics. I can clearly see even the psychological portrait of the person to whom our party could be close: a sensible man consistent in his convictions, someone who does not seek external effect but real results. We are in favor of a capitalist Russia but that does not mean that entrepreneurs make up the basis of our party. We are glad to have them, as we are glad to have workers, private farmers, and so forth, but our party will be a party of intelligent people, whatever professional or social labor they perform. The party of those who think not only of the present but also of the future of their children, the future of Russia.

Democratic Choice To Fund Elite Economics Students

PM2906102794 Moscow IZVESTIYA in Russian 28 Jun 94 p 2

[Report by Yaroslav Shimov: "Gaydar Grants To Take the Place of Lenin Grants"]

[Text] The Higher School of Economics was set up at the end of 1992. According to its leaders, this academic institution is supposed to become a "nursery for Russia's economic elite." But the problems of Russian higher education, especially financial, have not bypassed the newly fledged "nursery."

The "Democratic Choice of Russia" party has decided to give some support to the young intellectuals. It has instituted grants for Higher School of Economics students—15 for baccalaureate (first degree) students and 20 for master's degree (second degree) students, plus 20 grants worth 180,000 rubles each to allow students from other cities to pay for their residence in Moscow. It is also proposed to establish a permanent grant fund to which entrepreneurs wishing to support economics students can contribute funds.

Sergey Blagovolin, chairman of the organizing committee of the "Democratic Choice of Russia's" Moscow organization, claims that the students will receive party grants for success in their studies and academic work irrespective of their political views. The fact that academics from such different poles as Yegor Gaydar and Leonid Abalkin sit on the monitoring council and figure among the Higher School of Economics teachers could help to guarantee this to a certain extent.

Yeltsin Orders Reimbursement of Terror Victims

PM2806121194 Moscow ROSSIYSKAYA GAZETA in Russian 28 Jun 94 First Edition p 4

[Edict No. 1324 of the Russian Federation President "On Guarantees of Citizens' Rights and Freedoms in the Russian Federation," dated Moscow, the Kremlin, 22 June 1994 and signed by Russian Federation President B. Yeltsin]

[Text] For the purposes of ensuring the realization of the citizens' rights and freedoms provided for in the Russian Federation Laws "On the Rehabilitation of Victims of Political Repression" and "On the Payment of Pensions to Citizens Leaving To Take Up Permanent Residence Outside the Russian Federation," in connection with the appeals to the Human Rights Commission under the Russian Federation president received from Citizen S.I. Milshteyn and others, and guided by Part 2 of Article 80 of the Russian Federation Constitution, I decree that:

1. The Russian Federation Government is to approve within one month:

in fulfillment of Articles 16 and 16-1 of the Russian Federation Law "On the Rehabilitation of Victims of Political Repression"—the Statute on the Return of Property Illegally Confiscated, Removed, or Otherwise Taken Out of Ownership in Connection with Repression, the Reimbursement of Its Value, or the Payment of Monetary Compensation, and the Procedure for the Payment of Monetary Compensation to Victims of Political Repression and for Its Recomputation;

in accordance with Article 3 of the Russian Federation Law "On the Payment of Pensions to Citizens Leaving To Take Up Permanent Residence Outside the Russian Federation"—the Procedure for Paying Pensions to Citizens Leaving To Take Up Permanent Residence Outside the Russian Federation.

2. The task of monitoring the fulfillment of this edict is to be entrusted to the chairman of the Russian Federation Government.

3. This edict comes into force the moment it is signed.

[Signed] B. Yeltsin, president of the Russian Federation.
22 June 1994.

Yeltsin Establishes Technology Directorate

LD2906040594 Moscow ITAR-TASS World Service in Russian 1309 GMT 28 Jun 94

[Text] Moscow, 28 June—(ITAR-TASS) Making the prospect of the development and introduction of information technologies a systematic and well-thought-out process is one of the tasks which has been set for the Directorate for Information-Technology Systems of the Administration of the President of the Russian Federation. A decree on setting up this structure was signed on 27 June by Russian President Boris Yeltsin.

Specialists note that out of the main processes now taking place in society, the major ones are those which are aimed at achieving accord and civil peace, and of exceptional importance here is the utmost precise researching and taking of decisions. Preparing options is one of the major functions of present-day computer technologies that are being widely used in the president's administration and within the apparatus of the government, both of which are fairly highly computerized structures.

The new directorate that has been set up by the Russian president's decree brings together the highly qualified personnel of the president's administration, those for whom preparing quality decisions and their effective execution is the most important goal.

Establishing active interaction with the Federal Agency for Government Communications and Information, which possesses a huge potential in the sphere of creating information-technology systems, is one of the major tasks of this directorate. Moreover, the experts note, the new structure within the president's administration will fulfill the functions of initiator of orders in the sphere of creating new information technologies on behalf of other structural subunits of the apparatus.

Economic Issues

Yeltsin Says Russian Economy Stabilizing

LD2906081494 Moscow ITAR-TASS World Service in Russian 0658 GMT 29 Jun 94

[By ITAR-TASS correspondent Oleg Velichko]

[Text] Moscow, 29 Jun—"During this tour I am pursuing two main goals: first, to meet villagers and Moscow Oblast residents, to get a feel of their everyday lives, as it were, and second, to discuss conversion issues with the directors of the defense industry." This is how Russian President Boris Yeltsin, who was visiting the Soyuz Research and Production Association, described the purpose of his one-day tour of Moscow Oblast.

Boris Yeltsin said the Russian economy is stabilizing. He corroborated his words by citing the inflation rate, which has been maintained at 8-9 percent a month over the past five months. Price rises in June were 5.5 percent. Moreover, Yeltsin said, the fall in industrial output slowed down in June. "The economy is gradually leveling up, and by the end of the year we expect to have a stable rate of inflation of 5-6 percent a month," he noted.

The Russian president believes the "political situation in society is stabilizing, and the Treaty on Social Accord is really working." In view of this, he called for support for the presidential decree on the fight against crime.

After examining the products manufactured at the Soyuz Research and Production Association, Boris Yeltsin is to visit the Nikolo-Ugresh monastery.

Yeltsin Stresses Need To Eliminate Poverty

LD2906101694 Moscow Radio Rossii Network in Russian 0900 GMT 29 Jun 94

[Excerpts] Boris Yeltsin, who is touring Moscow region, today visited the Soyuz Research and Production Association in Lyubertsy. During a brief conversation with journalists, the president said the political situation has calmed down and is gradually returning to normal. The Treaty on Social Accord has started to work.

Boris Yeltsin thinks it is necessary to focus on implementing a targeted program for eliminating poverty. The president believes the gap between the minimum wage of 20,000 rubles and the average wage of 500,000 rubles a month is unacceptable.

Boris Yeltsin also said the economic situation in Russia will stabilize this year. [passage omitted]

Answering a question by an INTERFAX correspondent, Boris Yeltsin acknowledged that budgetary means for developing the defense industry are insufficient. Therefore, nonbudgetary means will have to be used.

Deputy Minister Reviews Economic Achievements

LD2806210294 Moscow ITAR-TASS World Service in Russian 1125 GMT 28 Jun 94

[By ITAR-TASS correspondent Tamara Zamyatina]

[Text] Moscow, 28 Jun—One of the main achievements of the first six months of 1994 was "demilitarization" of the Russian economy, First Deputy Economics Minister Yakov Urinson said today in his speech at the sitting of

the conciliation commission in charge of implementation of the national accord treaty.

According to Urinson, military orders have declined by 70 percent and this explains the 25 percent decline in production in the past six months.

At the same time the minister noted the tendency toward lower inflation, from 10 percent in February to an estimated 7 percent in June. In the same period the number of people living below the poverty line decreased by 10 million and the population's income in real terms increased by 12 percent.

The number of registered unemployed increased by 900,000 to the present total of 1.2 million. The actual number of unemployed is around 4 million or 6 percent of the working population.

One of the government's priorities will be to channel the funds saved by closing down unprofitable enterprises into areas of potential growth, so as to meet its commitments stated in the national accord treaty. The second priority is "social support for those in need."

More on Yeltsin, Chernomyrdin Remarks on Investment

PM2906104594 Moscow ROSSIYSKAYA GAZETA in Russian 29 Jun 94 First Edition p 1

[Unattributed report: "Boris Yeltsin: Russians Take a Long Time Getting Ready, But Then Move Quickly. Meeting Between Leaders of Top World Companies and Russian Government Ends in Moscow"]

[Text] A meeting between Russian Federation President Boris Yeltsin and a group of leading foreign entrepreneurs was held in the Kremlin yesterday. Russian Federation Premier Viktor Chernomyrdin also took part in it.

The president's press service reported that Boris Yeltsin noted that the widespread opinion among foreign investors that Russia is a country with a high level of political risk is already outdated. The political situation has stabilized over the past few months, which creates a favorable climate for the investment process. "Russians take a long time getting ready, but then move quickly," Boris Yeltsin stated. "We are ready. Now we will move more quickly."

Around half of all the edicts on economic reform signed since 23 May this year are devoted to normalizing the production and investment processes, the president pointed out. There have also been successes in the fight against inflation, and the prerequisites for reviving the investment process are in evidence.

The president supported and made a high assessment of the idea of setting up the Russian Federation Government Consultative Council on Foreign Investment.

The main result of the Moscow meeting between the top leaders of world companies and the Russian Government has been the setting up of the Consultative Council on Foreign Investment in Russia, Russian Federation Prime Minister Viktor Chernomyrdin stated. He was speaking yesterday at a press conference devoted to the conclusion of the two-day sessions at the President Hotel, during which Russian ministers and the top leaders of 14 multinational corporations and banks from the Western countries and Japan conducted a direct dialogue on the problems of capital investment in the Russian economy.

Summing up the meeting's results, Viktor Chernomyrdin announced that henceforth the government will resolve questions of improving Russian legislation in the sphere of investment, changes to the tax system, and, in general, the formation of economic and legal conditions to encourage investors in conjunction with its Western partners. "A qualitatively new structure has emerged," Viktor Chernomyrdin stressed—"the Consultative Council on Foreign Investment, which represents the 'organized interest' of major foreign investors implementing their plans in the Russian business sphere and moving toward a free market."

The Russian Government is already proposing dozens of ready projects in heavy and light industry, and in conversion sectors, but these are hard to implement owing to the disorganized state of legislative and fiscal mechanisms, the Russian prime minister stressed. As he put it, the participants in the President Hotel meeting put forward a lot of fair criticism of the vague nature of Russian normative acts and the inconsistency of their implementation and of the lack of coordination between the actions of federal and local authorities. We will strengthen executive discipline at all levels of Russian power and we guarantee to Western investors that all acts of legislation in the foreign investment sphere will be observed, Viktor Chernomyrdin stated. The activity of the three standing working groups that have been set up will be devoted to solving specific problems, he said.

Viktor Chernomyrdin particularly stressed that foreign investment makes it possible to prevent unemployment from "sweeping" Russia as a result of bankruptcies and the liquidation of loss-making enterprises. By investing capital, investors primarily create jobs.

The participants in the President Hotel meeting made a high assessment of the level of interest and openness shown during the meeting, the joint communique on the results of the sessions says. They expressed confidence that the active participation of all council members in its work will be the guarantee that Western capital's participation in developing the Russian economy will be galvanized. Prime Minister Viktor Chernomyrdin will coordinate the activity of the Council on Foreign Investment. Its next session will be held sometime this November.

Gerashchenko Advocates Protectionism for Banks
*LD2806153394 Moscow Radio Moscow World Service
in English 1100 GMT 28 Jun 94*

[Text] Only the foreign banks that can boast a first-rate reputation and are regarded as reliable partners should be attracted to Russia. This has been stated by the chairman of Russia's Central Bank, Viktor Gerashchenko.

Speaking in Moscow at a conference of the Consultative Council for Foreign Investment, he emphasized the necessity to preserve protectionism in respect of home banks.

Mr. Gerashchenko also said that in 1993 Russia's gold and hard currency reserves had tripled. By the first of this month they amounted to \$5.6 billion.

Edict Covers Voucher to Privatization Transition
*LD2806183694 Moscow INTERFAX in English 1707
GMT 28 Jun 94*

[Text] President Yeltsin has signed a decree "On Measures to Protect the Interests of Citizens During the Transition From Voucher to Cash Privatization," setting the rules to privatize state enterprises until a new state program for post-voucher privatization is adopted.

The decree says that after July 1 the shares of enterprises which have been registered before that deadline shall be sold at auctions and stock exchanges.

The decree says that the labor collectives of enterprises corporatized before July 1 retain all the benefits established by the privatization program.

The post-voucher privatization program setting the rules of privatization as of July 1, 1994 is to be put into effect by a presidential decree before June 31. However, according to the Deputy Chairman of the State Property Committee Dmitry Vasiliev the program had not yet been submitted to President Yeltsin for signature late Monday night.

Employment Service Reports 375,000 New Jobs
*LD2806184494 Moscow INTERFAX in English 1713
GMT 28 Jun 94*

[Text] The information center of the Russian Federal Employment Service has told Interfax that in the first five months of the year the service provided 375,000 people with jobs. Last month the figure was 88,000 and 16 pct of them got work within 10 days after appealing. 68 pct had been unemployed.

The service now has 347,000 vacancies: 85 pct for industrial and 15 pct for office workers. However, two thirds of the applicants have a secondary specialized or higher education.

Since the beginning of the year the service offered training to 115,000 people in construction, farming,

banking as well as in business. 46 pct people were retrained, 18 pct upgraded their skills and 36 pct were given initial training. Last month 70,000 people were given a chance to acquire a new trade.

The Federal Employment Service has registered 1,219,000 jobless and 1,483,000 persons entering the labor market.

Military & Nuclear Issues

Yeltsin Speech to Military Graduates on Reform
*LD2806224694 Moscow Ostankino Television First
Channel Network in Russian 1737 GMT 28 Jun 94*

[Speech by President Yeltsin to graduates of Russia's military academies in the Kremlin on 28 June—recorded]

[Text] [Yeltsin] The hope of the Russian Army is here in this splendid hall. You represent those on whom its might and combat capability will be based. On the whole, Russia's Armed Forces match up to contemporary requirements for safeguarding the country's military security. The young Russian Army confirms this not just in major maneuvers and training exercises at strategic level. Its units and formations are successfully carrying out peacekeeping functions in accordance with our country's international commitments.

The main area of our military policy is reformation of the armed forces. They should meet the actual requirements needed for sufficient national defense. Gradually, and I stress here, gradually, the strength of the army will be reduced and brought down to 1.5 million servicemen. The mechanism for building the army up to its required strength will also undergo gradual changes. There is talk of increasing the share of servicemen undergoing military service on contracts.

We will continue to devote much attention to developing the new military infrastructure in Russia and providing it with everything necessary as quickly as possible. We need to learn how to implement a balanced military-technical policy. The root of the problem is that tasks we tackle should correspond to the actual possibilities of the country's economy.

It is no secret that today our funds are limited and that this is sharply reflected on the army. This is why it is even more important to allocate these funds wisely. We will have to reduce the number of various types of weapons and their modifications, material support for them, the range of ammunition, supplies, and spare parts.

Multiplicity is an unacceptable luxury right now. We need unification. At the same time, it is also categorically unacceptable to waste in the name of arms reduction a unique scientific and technical potential created by the armed forces. There are international treaties and agreements, and we will honestly fulfill the responsibilities

which we have taken upon ourselves. But any so-called over-doing on our part is totally out of question. This is a clear position taken by the president, and the supreme commander in chief, and this is a demand of principle to the leadership of the armed forces.

The majority of those in this hall will soon return to the troops. I hope that you have mastered one of the main lessons of the science of winning, and this is that the power of the army is not only in the combat training of personnel; not only in commanders and military leaders mastering the art of war—although there is no army without this. Its strength is not only in military discipline—although there is no army without this either. The Russian Army was invincible when humanity got the upper hand over callousness within it, when a commander saw in each of his subordinates not a robot, not a blind piece of ordnance, but a human being.

Humanity does not mean everything goes, and it is not mollicoddling. In the army it means persistently teaching each serviceman to fulfill combat tasks and to survive in any situation.

The main thing here is not to forget the dignity of one's subordinates, always to feel one's personal responsibility for their lives. This is the testament of our best military leaders. This is borne out by the military experience of our best field commanders, and I believe that you too will not only continue, but will strengthen this glorious tradition. One must honestly acknowledge, that both previously and now, we have far from always been or remain true to it.

In a democratic state, the rights and duties of servicemen should be determined only by the law. The whole legal basis for the organization and activity of the armed forces should be brought into line with the Constitution and the main tenets of military doctrine.

In order to improve the overall system for the management of the armed forces and to strengthen their links with society, we shall gradually introduce and strengthen elements of civil control of the process of military organization.

At the reception in honor of the graduates of military academies one must not omit to mention the system of training of military cadres. We have a plan for the development of a system of military education. The training schedules and curricula of higher educational establishments have been detailed. The training of officers in many specializations lacking in the Russian Army has been organized. This work has to be continued.

A course aimed at the rational enlargement and integration of military educational institutions should become a main direction. By reducing quantity, the quality of training is to be increased. We shall continue to pay particular attention to issues of the social provision for armed forces personnel and members of their families,

and also for servicemen in reserve, for those who gave the best years of their lives serving the motherland.

A program of providing housing for servicemen and demobilized individuals in 1994 and 1995 is being implemented. Money allowances and pensions, and also the salaries of blue-collar and white-collar workers in the Russian Army have been increased. To this end, despite all the difficulties, additional sources to finance military needs are being sought.

It is possible that the Ministry of Social Welfare will be required to create a special department for dealing with those discharged to the reserve, military invalids, pensioners, and veterans.

Making use of this occasion I shall dwell on matters concerning the foreign activity of the armed forces. Primarily, this means formations in the CIS collective security system. No one and nothing can free Russia from the political and moral responsibility for the fate of the countries and peoples which have accompanied the Russian state for centuries. Furthermore, the creation of a long-term system of European security—we are in favor of such a system being all-embracing. It should include not only a bloc-structure such as NATO. What is needed is a broader system of partnership which would unite and strengthen all the currently functioning mechanisms—the CSCE, the European and the Western European Unions, the Council for North Atlantic Cooperation, and so on. It will hardly be possible to construct a new edifice of European security if its architects seek to exclude Russia from their plans, but we too have to take an active part in the existing institutions of cooperation and not isolate ourselves from them but rather exert a stronger influence on their work from within.

Proceeding from Russia's special strategic position in Eurasia, we have to see the creation of an effective system of security in the Asian and Pacific region as a main direction in our military policy. We shall continue to take an active part in peacekeeping operations, in work to control arms and the proliferation of nuclear technologies, and on the whole, in ensuring strategic stability in the world.

Russian foreign policy is paying off. Our country recently joined the military and technical process of Partnership for Peace. Russia concluded an agreement on partnership and cooperation with the European Union. For the first time this century, we have entered Europe as an equal with all the other states of Europe. Ahead lies involvement in the conference of the seven most developed states in the world, and in political matters, fully-fledged involvement, that is G-8 [vosmerka]. For the present it is a political and not an economic G-8, that is starting to work. Each such step opens up new prospects before our country.

Tomorrow you will again return to your units and will set about new and greater duties. I am sure that the personnel of the units, vessels, formations under your leadership will successfully tackle the tasks of defending

the state interests of Russia. I wish success to you all in your difficult and honourable task on behalf of Russia and to the glory of the fatherland.

Grachev on Virtues of Armed Forces

LD2806180794 Moscow ITAR-TASS in English 1508 GMT 28 Jun 94

[By ITAR-TASS correspondent Vladimir Gondusov]

[Text] Moscow June 28 TASS—The Russian Armed Forces are efficient, controllable, ready to protect the state from any encroachments and ensure national security, including in peace-making, Russian Defence Minister General of the Army Pavel Grachev told graduates of military academies here today.

Today's Russia has no enemies, said the defence minister. "This is confirmed by major provisions of the Russian military doctrine and known by the whole world. However, Russia same as any other state has its interests of the military-political and geo-strategic position. We have to remember about this and proceed from national interests in military building," said Pavel Grachev.

The minister recalled names of renowned Russian military leaders and said they valued the soldier's confidence most. "Be more attentive to your subordinates. Remember that an army where an soldier believes in his officer has such an advantage that cannot be gained with strength, materiel and any other thing," said Grachev.

The armed forces are interested in social stability and civic peace. "Unity and accord are necessary for prosperity of the state and successful development of the military sphere," said the minister.

Cost of Defense Restructuring, Conversion Reported

LD2806183394 Moscow INTERFAX in English 1707 GMT 28 Jun 94

[Text] The Russian International Center of Scientific and Technical Information believes that the restructuring and conversion of the Russian defense industry will require between \$150 billion and \$300 billion.

This estimate was made by a leading figure at the center Vladimir Zhukov at a current Moscow seminar on Western investments in the Russian defense industry. He said it is based on consultations with Western experts.

Representatives of companies and analytical centers said that the existing plans of attracting investments from Russian commercial banks and for formation of a special export-import bank cannot guarantee the volume of investments needed to restructure the defense industry.

According to Zhukov, in conditions of galloping inflation, mutual debts, and low turnover as many as half of all defense plants are on the verge of ruin and the

number of jobless in the industry might grow to several million by the end of the year.

The conversion program affects almost 80 percent of the industry: in the Soviet Union military spending amounted to 30 percent of the GNP.

Official Views Future of Nuclear Power

LD2806170294 Moscow Radio Moscow World Service in English 1110 GMT 28 Jun 94

[Text] Late in June 1954 the world learned about the launching of the first nuclear power station on the earth in the town of Obninsk close to Moscow. The scientific community all over the globe is now marking the 40th anniversary of that event.

At present in Russia the nuclear power industry accounts only for 12 percent of total electricity output. We have had a long range objective for the share to grow to 30 or 35 percent. Now some details from the first deputy minister of atomic energy of the Russian Federation, Lev Ryabev.

[Begin Ryabev recording in Russian fading to English translation] Over the past five years with nuclear disarmament under way we have been striving to use our potential, first of all scientific potential, to solve problems of safety in the Russian nuclear power industry, and other issues, including those of ecology. This country is now drafting a new power program up to the year 2010. The strategy of developing the nuclear power industry is part of the program. For the first time in the record of this industry, the program incorporates a profound economic and ecological analysis.

We are now developing reactors and reactor stations of the so-called third generation to keep abreast of the latest requirements adopted by the International Association for Nuclear Affairs. These new developments are scheduled for the beginning of the next century to boost the nuclear power industry. Large-scale and wide-ranging research is under way in the birthplace of the nuclear power industry, Obninsk, at the Physics and Energy Institute. The main objective of the center is to develop fast neutron reactors. The researchers there have proved that this is a highly promising line of studies. [end recording]

The first deputy minister of Russia's atomic energy, Ryabev, concludes by saying that as for a look for another 40 years, he feels the nuclear power industry's safety problems will be solved drastically. The problems of highly radioactive waste will also be solved with fine results for ecology. As the nuclear power industry here keeps developing on a large-scale, it will hold even greater positions in the long-term and that will amount to economic gains for Russia.

Federal Assembly

Legislative Delays Impede Fight Against Organized Crime

PM2906102394 Moscow ROSSIYSKAYA GAZETA in Russian 28 Jun 94 First Edition pp 1, 2

[Interview with Issa Kostoyev, chairman of the Federation Council Committee for Constitutional Legislation and Judicial-Legal Questions, by Yuriy Zvyagin, Yevgeniy Skukin; date, place not given: "The Innocent Could Suffer"]

[Text] Issa Kostoyev, chairman of the Federation Council Committee for Constitutional Legislation and Judicial-Legal Questions, comments on the Russian Federation president's Edict "On Urgent Measures To Protect the Population Against Gangsterism and Other Manifestations of Organized Crime." He has devoted 28 years to investigative work as an ordinary investigator, criminal prosecutor, investigator for especially important cases, deputy chief of an investigation unit, and then chief of the Russian Federation General Prosecutor's Office department for the investigation of crimes against the person. He has the solving of many of the most dangerous crimes to his credit, including, incidentally, the Chikatilo [serial killer] case.

[ROSSIYSKAYA GAZETA] Issa Magometovich, a heated debate has broken out over the president's edict. What do you make of this document?

[Kostoyev] If we are talking about the tasks the president has set the law-enforcement organs, they are the same as those stated in the five similar edicts of recent years. A long, long time ago someone should have said: Bring the culprits to book. Why have you boys not been implementing these edicts?

[ROSSIYSKAYA GAZETA] What have been the specific consequences of the failure to implement the previous edicts?

[Kostoyev] Well, for example, MVD [Ministry of Internal Affairs] staff are now working for private firms, banks, and commercial offices. And their new bosses are completely satisfied with them. They do not take just anyone but will hire, in particular, anyone who has had to fight organized crime during his service and anyone who has lawful credentials and the right to carry a gun. In the morning this man turns up at his own section: He says that he is going to meet one of his agents, but he actually goes to a private office. Incidentally, a militiaman must always be on call, even in his spare time.

[ROSSIYSKAYA GAZETA] Be that as it may, the draft Federation Council decree prepared by your committee instructs the general prosecutor to ensure rigorous observance of citizens' rights and freedoms and to establish strict monitoring of the conduct of investigations. Do you therefore see a possibility of using the edict within the framework of existing legislation?

[Kostoyev] Under one article of the Constitution the president's edicts must be implemented on the territory of the entire Russian state, under another an edict must conform with the constitution and federal laws. All we can do as jurists is try to put up a barrier against anything that contradicts the law, so that innocent people do not suffer. Edict No. 1226 contradicts the constitution, the Code of Criminal Procedure, the Law on Enterprises and Entrepreneurial Activity, the Law on Banks and Banking Activity, and the Law on Operational Investigation Activity. I think that, like the previous edicts, it will not be fully implemented and will not have the desired results.

[ROSSIYSKAYA GAZETA] How does this edict relate to the federal program to intensify the fight against crime for the years 1994-1995?

[Kostoyev] Very strangely. The 24 May edict instructs the Russian Federation Justice Ministry, jointly with other interested federal executive branch bodies, to prepare within two months proposals on, I stress, making appropriate amendments to Russian Federation legislative acts, making provision for giving the militia the right to search buildings and premises of enterprises of all forms of ownership, etc. But what has emerged is a direct-action edict based on such wishes instead of legislative acts.

[ROSSIYSKAYA GAZETA] Nonetheless, what is needed to stop crime?

[Kostoyev] The aforementioned federal program was recommended by deputies, invited specialists, and representatives of ministries and departments at the April parliamentary hearings on this subject. It was decided to give priority consideration to laws aimed at protecting the constitutional rights of citizens, witnesses, and people administering justice—in short, aimed at taking appropriate counteraction against organized crime. I think that precise compliance with the federal program and the quickest possible adoption of laws, many of which have passed their first or second reading, are what will put up a real barrier to crime.

Council Derided for Accenting 'Sickly' Military Budget

PM2806115594 Moscow KRASNAYA ZVEZDA in Russian 28 Jun 94 p 1

[Article by Vladimir Yermolin: "Federation Council Agrees to 40.6 Trillion Rubles: Upper Chamber of Federal Assembly Votes in Favor of the 1994 Budget Passed by the State Duma"]

[Text] The evolution in the Federation Council's attitude to the 1994 draft federal budget law may be roughly characterized as "no, no, no—yes!" A categorical "no" rang out from public platforms, was uttered into journalists' microphones, and was heard in statements made, above all, by the Federation Council chairman. "Yes"

rang out immediately the budget just passed by the State Duma reached the Federation Council.

Let us recall that the members of the Federation Council were going to back to the bitter end defense expenditure of 55 trillion and an increase in expenditure items for the regions. Commenting on the upper chamber's decision, Vladimir Shumeyko assured people that a compromise had been reached between the sides. What does this amount to as regards expenditure on national defense? Let us study carefully the results of the second and third readings: In both cases you have the figure of 40.6 trillion.

Indeed, there could be no other outcome. Had the Federation Council started to wage a struggle over the budget, it would have become obvious to everyone that the senators had assumed total responsibility for the country's extrabudgetary existence. Naturally, they had no wish to shoulder this burden. Moreover, President Yeltsin made it perfectly clear two weeks ago that all the key budget figures had been agreed with Viktor Chernomyrdin, Ivan Rybkin, and Vladimir Shumeyko.

It is pointless to bewail the sickly defense budget now. The most important thing is to flesh out the intention of the president, government, and parliamentarians to eliminate the defense budget deficit by means of extrabudgetary appropriations.

You are prompted to draw the conclusion that there are few statesmen in our time capable of resisting the temptation to demonstrate their concern over defense problems. But when it comes to making a decision, quite different interests prevail. To be honest, the stance of those who opposed 55 trillion from the very outset is far more understandable and attractive. But such people, those who did not break into "defense rhetoric," were few in number.

Mid-Sep Deadline Set for Debating 1995 Budget

PM2806120594 Moscow ROSSIYSKAYA GAZETA in Russian 28 Jun 94 First Edition p 4

[Decree No. 132-I SF of the Russian Federation Federal Assembly Federation Council "On the Draft Federal Law 'On the Deadline for Submitting the Draft Federal Budget for 1995 to the Russian Federation Federal Assembly,'" dated Moscow, 2 June 1994 and signed by V.F. Shumeyko, chairman of the Russian Federation Federal Assembly Federation Council, plus undated draft federal law "On the Deadline for Submitting the Draft Federal Budget for 1995 to the Russian Federation Federal Assembly," signed by Russian Federation President B.N. Yeltsin]

[Text] In accordance with Part 1 of Article 104 of the Russian Federation Constitution, for the purposes of accelerating the elaboration of the draft federal budget for 1995 and also to regularize the budget process in the Russian Federation, the Federation Council decrees that:

The draft federal law "On the Deadline for Submitting the Draft Federal Budget for 1995 to the Russian Federation Federal Assembly" (appended) is to be sent to the Russian Federation Federal Assembly State Duma.

[Signed] V.F. Shumeyko, chairman of the Russian Federation Federal Assembly Federation Council.
Moscow, 2 June 1994.

Draft Federal Law on the Deadline for Submitting the Draft Federal Budget for 1995 to the Russian Federation Federal Assembly

Article 1. The Russian Federation Government is to submit the draft federal budget for 1995 to the Russian Federation Federal Assembly no later than 15 September 1994.

Article 2. The forming of the draft federal budget for 1995 is directly linked with the elaboration and implementation of measures to extricate the country from the economic and financial crisis and also with the development and introduction of a balanced and harmonious system of financial and budget relations between the federal budget and the budgets of the components of the Federation.

[Signed] B.N. Yeltsin, president of the Russian Federation.

Regional Affairs

Anticrime Operation Produces 'Almost No Results'

PM2706121794 Moscow IZVESTIYA in Russian
24 Jun 94 p 2

[Report by Arkadiy Zheludkov: "'Hurricane' in Moscow Has Swept Past"]

[Text] A massive operation carried out under the leadership of the Regional Administration for Combatting Organized Crime [RACOC] and involving the Moscow Criminal Investigation Department [MCID], the Economic Crimes Administration [ECA], and 20,000 soldiers of the Dzerzhinskiy Motorized Rifle Division has ended with almost no results. RACOC Press Center staffers explained that, on the eve of the operation, several mass media organs reported that an operation was being prepared....

But was it only this "public disclosure" which played a part in the operation's failure?

Having checked out 689 facilities around Moscow and practically cordoned off the city (43 Dzerzhinskiy Division pickets were on the roads into and out of Moscow), the militia detained 2,251 people. Some 759 of the detainees had administrative proceedings instituted against them (mostly for breaking the city's residence regulations). No criminals were found among the detainees and they were all released. Some 1,053 motor

vehicles together with 27 parking lots were also inspected during operation "Hurricane."

In the opinion of RACOC, the success of this massive operation lies in the detection of 119 economic crimes (of which 8 were committed earlier) and in the closure of 193 commercial enterprises for various offenses. A total of 196 commercial enterprises, 14 hotels, 36 companies and banks, and four markets were checked. A total of 219 crimes were exposed (it is unknown what they were, given that, according to information from RACOC, criminal proceedings were not instituted).

Obviously, a serious discussion of the massive operations still lies ahead. But their benefit to the city treasury is clear—as much as 119 million rubles in fines were exacted. But this argument is hardly likely to work with taxpayers—much more is spent on maintaining the law enforcement agencies and carrying out large-scale actions like "Hurricane."

Finally, on the subject of the results achieved. RACOC staffers consider that the sheer fact that the criminal elements did not turn up at their previously known hangouts is evidence that the gangs fear and respect the law enforcement agencies. But it is also evidence of something else—the service for the surveillance and analysis of criminal groups works much better than the defenders of public order and our security. For this reason there is little to rejoice at. Perhaps the only people who will be happy are the capital's champions of "universal equality," as well they might be now that they can, after all, burst into and turn upside down any enterprise in any form of ownership....

The reasons for our law enforcement officers' failures and their long-term plans for combatting crime will be discussed in a conversation with RACOC Leader Vladimir Rushaylo, who has kindly agreed to meet our IZVESTIYA correspondent.

Ossetian-Ingush Conflict Zone 'Gradually Stabilizing'

LD2806172194 Moscow Ostankino Television First Channel Network in Russian 1400 GMT 28 Jun 94

[Video report from north Caucasus by correspondent Andrey Murtazin, including recording of remarks at news conference by Ramazan Abdulatipov, deputy chairman of Russian Federation Council—from the "Novosti" newscast]

[Text] The situation in the Ossetian-Ingush conflict zone is gradually stabilizing without any particular interference by, and sometimes in spite of, the federal authorities. This was the conclusion of Ramazan Abdulatipov, who recently visited the northern Caucasus. The deputy chairman of the Federation Council regards the main success of his mission as the agreement signed in Beslan by the presidents of Northern Ossetia and Ingushetia on the procedure for returning refugees and settling them in four villages of Prigorodnyy rayon. It was there, two

years ago, that the Ossetian-Ingush conflict broke out, which resulted in the death of over 300 people and in about 800 people becoming refugees. In practice, Ruslan Aushev and Akhsarbek Galazov guaranteed the safe return of the civilian population to Prigorodnyy rayon and their living as close communities in the villages of Chermen, Dachnoye, Dongaron, and Kurtat.

Abdulatipov said that the main problem now is the lack of funds to build houses to replace those burned down. For example, the republic has only received 800 million of the 90 billion roubles of capital investment planned for Ingushetia. In order to extricate the rayon from the condition it has been in since the war, there needs, at least, to be a clear policy on the Caucasus which, unfortunately, is lacking at the moment.

[Abdulatipov] Policy itself, including and particularly policy on the Caucasus, must be able to be assessed and implemented stage by stage. Otherwise, we could go on for a hundred years talking about this.

Abdulatipov: Ingush-Ossetian Plan Not Implemented

LD2806161294 Moscow Radio Rossii Network in Russian 1100 GMT 28 Jun 94

[Text] Ramazan Abdulatipov, deputy chairman of the Federation Council, said at a news conference today that none of the 37 points of the government plan to eliminate the consequences of the Ossetian-Ingush conflict have been implemented. He noted that the necessary financial assistance for Ingushetia and North Ossetia have not yet been received by the warring parties. Not a single refugee has been able to return back home. At the same time, Abdulatipov said that according to the results of criminal investigations, up to 1,000 criminal cases have been lodged in the conflict zone. He believes that Russia's uncertain policy toward Chechnya, as well as the absence of any coherent concept with regard to the north Caucasian region, plays a destabilizing role in the north Caucasus. The deputy chairman of the Federation Council intends to appeal to Viktor Chernomyrdin, head of government, to accelerate the settlement of the problems stemming from the Ossetian-Ingush conflict.

Kuban Seen as Interregional Policy Test Bed

PM2906092594 Moscow ROSSIYSKIYE VESTI in Russian 28 Jun 94 p 2

[Report by Aleksandr Bulygin: "Kuban 'Illegals'"]

[Text] Krasnodar—Krasnodar is gradually turning from a communist bastion into a testing ground where interregional policy can be tried out. And not by waving a magic wand, but by implementing Kuban's status as a special zone. It is no accident that Russians are interested in the processes under way here, and the local authorities, while divulging their experience in dribs and drabs, are improving on it and borrowing innovations from others. Graphic evidence of that is provided by the

recent holding in Krasnodar Kray of a session of the council of the Association for Socioeconomic Cooperation among the Republics, Krays, and Oblasts of the North Caucasus, the conference of heads of organs of state power in the south of Russia, Abkhazia, and the Crimea, the all-Russia scientific and practical conference "Local Self-Government and Regional Economic Practice in the New Political and Economic Situation," and the second international "Partnership for Progress" conference. The interest in discussing purely economic and managerial problems leaves no time for any political statements, while the cards-on-the-table attitude displayed in the latest moves are disarming the opposition in the shape of those who love political intrigues.

Thus, a signing ceremony and an exchange of texts of treaties of friendship and cooperation between the Kuban and the Republic of Ingushetia has taken place in the presence of journalists. [Ingushetia President] Ruslan Aushev's comment was that people still engage in politics even when they are living badly. The president of Ingushetia shared his faith in the republic's economic prosperity. But this is something that can only be dreamed about for the time being. Currently more than half of the local able-bodied population is unemployed. It was the search for investment that brought the president to Krasnodar. And he wanted to check his position against what his neighbors had achieved so as to make use of their experience in preparing a document on the creation of an economic development zone [zona ekonomicheskogo blagopriyatstvovaniya] in the republic.

Russian Federation components are not doing any the worse for being harnessed together. A wide range of issues regarding the general agreement between the Russian Government and the regions was examined at the Association's council session—on the development of the program for a unified transport system for the North Caucasus, and on economic cooperation and the provision of epidemiological safety in southern regions. The Kuban and the Crimea have also agreed to jointly build a bridge over the Kerch Strait.

The returns on many projects will only be visible in the future. But it is also important that they have not been dictated from on high but are being implemented according to the plans of the new leaders and entourages that have arrived at local level. These people came up with the initiative to set up the Association, which is reviving centuries-old interregional ties and establishing new ones. Any country or region can become a member of the socioeconomic commonwealth, and actual membership of the Association does not mean recognizing the independence of certain regions.

The discussion at the scientific and practical conference of the problems of distributing functions between the federal and local authorities, and of ties between the regions and the center and organs of local self-government was also dictated by life. Mayor Valeriy Samoylenko of Krasnodar noted in this connection: "There is a kind of situation in society whereby policy is

still made in the capitals, while the economics is done—or not done—at local level. Organs of local self-government are now coming in for the greatest pressure from the population. They have become a kind of lightning rod at a time of socioeconomic tension"....

The kinds of bolts that are hitting the "lightning rod" were explained by Ilya Demenko, general director of the kray administration's Finance, Budget, and Control Department.

"Under the Russian president's edict, the regions themselves should be concerned about supplying the population with bread. The Kuban is the country's breadbasket, and you would have thought that this task could have been resolved here without any particular bother. But the question arises: Where will the billions of rubles to buy grain for the agrarian sector come from, if kray, city, and rayon budgets are all out of kilter? This has been a stumbling block when it comes to solving other problems too. Politicians provide payments from federal pockets on the basis of population sizes, but the central authorities use as their basis obsolete figures that take no account of migration processes...."

The governor of the Kuban has signed a decree beefing up the pre-existing norms for controlling resettlement. People will now only be able to come here to live on receipt of official invitations issued by local administrations. Residence permits continue to be the main mechanism for regulating migration for the time being. Were they to be abolished, other levers would be sought. The kray administration has already passed a decree on the recruitment and utilization of foreign labor in the Kuban under license. In order to close off channels for illegal immigration it has been decided to set up a special center from where illegals will be resettled in other parts of Russia. These enforced measures have become possible thanks to the Kuban's being granted special status as a Federation component. The kray is indeed special. It not only enjoys a favorable climate, but has become a Russian border region and the country's southern gateway to the Mediterranean and the Near East. This means that this is the place where bridges of economic cooperation should also be built with the states of Europe and America.

National Socialist Workers Party Founded in Kazan

MK2806113094 Moscow KURANTY in Russian 28 Jun 94 p 2

[Report by INFORM-KURANTY: "Kazan—Capital of National Socialism?"]

[Text] Quite unexpectedly, a new brown-hued Russian National Socialist Workers Party [RNSWP] has been set up in Kazan. Black-shirted toughs, however, have for a couple of years now been part of the Volga political landscape. Those in the know will remember that the present founding fathers of the RNSWP wore the same uniforms during the ceremony to meet S. Terekhov, who

arrived in Kazan last year. Thirty activists of the brown movement led by Mikhail Glukhov, an important local figure of national socialism, have now come down to organize a party on the basis of strict ideas of national revival. As a matter of fact, these ideas are constantly drifting from Barkashov to Terekhov and on to Zhirnovskiy: the revival of a healthy nation, a strong dictatorial state of general prosperity, control by the government apparatus over all the main means of production.

Incidentally, Kazan "Glukhovites" (their leader, they maintain, was running for the Duma not without a measure of success) disprove the proposition about a unified red-and-brown front because they parade as the most hardboiled anti-communists. Will this be for long? Experience shows that in minutes crucial and confused extremists' flanks start to draw closer together.

Siberian Agreement Boosts Region's Powers

MK2806122094 Moscow SEGODNYA in Russian 28 Jun 94 p 3

[Zhanna Trofimova report under the "Lobby" rubric: "Siberian Agreement" Enhances Its Status. Now It Is Better Positioned To Take Part in the Allocation of Money From the Federal Budget"]

[Text] The council of the "Siberian Agreement" Interregional Association, which includes representatives of legislative and executive authorities of 19 Federation components, ended its meeting 26 June at the village of Listvyanka on Lake Baykal. The meeting was attended by the chairmen of the Federal Assembly chambers and members of the Russian Government. The meeting's main result was the ratification of the General Agreement between the government and organizations ensuring Russia's economic coordination. According to Sergey Shakhrai, "chiefs of Siberian regions managed to make significant headway in solving the problems of economic coordination."

In particular, the General Agreement gives the economic associations the right to take part in the consideration of the draft federal budget and the taxation policy program with regard to the regions. In addition, the territories were granted the right to set up their own banking networks. The General Agreement points out the need to adjust the Law on the Central Bank taking into account the interests of Russian Federation components. "Siberian Agreement" experts will from now on be involved in the preparation of draft laws and other enforceable enactments by Federation Council committees.

Association chiefs were tasked with resolving together with the central authorities the problem of setting tariffs for electric power and railway transport. The meeting also approved the draft law "On the Environmental-Economic Region of Altay," the creation of the "Sibagromash," and backed the idea of forming a food market in the region in 1994.

Yaroslavl Allocates Funds To Support Private Farms

PM2906085594 Moscow IZVESTIYA in Russian 28 Jun 94 p 2

[Report by Mikhail Ovcharov: "Farmers Considered People in Yaroslavl"]

[Text] Yaroslavl—Yaroslavl Oblast Governor Anatoliy Lisitsyn has published a decree on support for private farmers.

In particular, there will now be a separate entry in the budget for the allocation of credit resources to the Association of Peasant (Private) Farms; these credits will represent 15 percent of the total monetary resources allocated for the development of the agroindustrial complex. No less than 15 percent of capital investments going into the social construction programs in the countryside (irrespective of the sources of funding) will be directed toward private farmers. Henceforth one-tenth of all the resources spent on road construction in the oblast will also go to private farmers. It has been decided to halve the level of paid services for testing agricultural produce brought into the city by private farmers.

Chief of Staff Visits Urals Military District

PM2806113394 Moscow KRASNAYA ZVEZDA in Russian 24 Jun 94 p 1

[Report by correspondent Leonid Pozdeyev: "Working Visit by Chief of General Staff"]

[Text] Colonel General Mikhail Kolesnikov, chief of the Russian Armed Forces General Staff, has been in the Urals Military District. He visited a number of garrisons and met with district, combined unit, and unit commanders, a number of leaders of defense enterprises, and representatives of the Sverdlovsk Oblast Administration.

On the Russian defense minister's behalf, Colonel General Kolesnikov presented a large group of officers and NCOs of the district with Distinguished Military Service medals and valuable gifts for their success in combat training and personnel education and announced the Russian Federation defense minister's order awarding early promotion to a number of officers.

Dudayev Oversees Military Command Exercises

LD2806134694 Moscow ITAR-TASS World Service in Russian 1046 GMT 28 Jun 94

[Text] Moscow, 28 Jun—Command and staff exercises have commenced today in the Chechnen Republic in accordance with the plan for military training in switching armed forces from a peaceful footing to martial law.

A report by the CHECHENPRESS information agency received by ITAR-TASS says that General Dzhokhar

Dudayev, Commander-in-Chief of the country's armed forces, is commanding the exercises.

Amur Border Guards Clear Waters of PRC Poachers

LD2806162694 Moscow ITAR-TASS World Service in Russian 0044 GMT 28 Jun 94

[By ITAR-TASS correspondent Viktor Gorelov]

[Text] Birobidzhan, 28 Jun—The first "Cover" [Zaslon] operation carried out in central Amur has provided the opportunity to "cleanse" Russian territorial waters of Chinese poachers. Border guards at the Birobidzhan detachment, guarding nearly 500 km of waters along the border with the PRC, prevented over 100 border violations in the first week of the operation. About 2 km of floating and fixed gill nets have been confiscated along with hundreds of meters of hooked tackle. Sixteen of the most hardened Chinese poachers were detained. After registration of the incidents of poaching, the culprits were handed to the Chinese authorities.

ITAR-TASS was told by Mikhail Naymilo, head of the detachment, that "the Amur these days is practically clean." After an official statement to Chinese border representatives, the Chinese border patrols, the river police, and the fish patrol inspectors stepped up their activities noticeably. Before Operation Cover went ahead, none of these departments even attempted to halt the intensified poaching by their compatriots.

Moves Made in Solving Far East Radioactive Waste Problem

PM2906081194 Moscow IZVESTIYA in Russian 28 Jun 94 p 2

[Report by Natalya Ostrovskaya: "Barge Reprocesses Nuclear Waste"]

[Text] Vladivostok—The scandalously notorious liquid radioactive waste formed during the process of breaking up Pacific Fleet submarines will be reprocessed using a mobile floating complex of the barge type. This decision was made by the Russian-Japanese commission working in Vladivostok and Maritime Kray, which for 18 months has been closely involved in looking for ways to resolve the problems of the fleet's liquid radioactive waste.

IZVESTIYA has already reported (11 May 1994) that two options were examined at previous stages of the commission's work. Apart from the barge, the possibility of constructing a shore-based reprocessing complex was also entertained. But independent experts from the British consulting firm Crown Enterprises have calculated that the "floating" option is both cheaper and more practical. It is well known that a number of bases on the coast of Maritime Kray are associated with the so-called waste disposal ship division of the Pacific Fleet. It is these ships which the barge will "service."

Another reason why the floating complex was chosen to recycle liquid radioactive waste was the clear displeasure of the inhabitants of the city of Bolshoy Kamen, where the main base for breaking up nuclear submarines is located—the "Zvezda" defense plant. This was the planned site of the shore-based complex. For the same reason of local discontent the tanker TNT-5 with hundreds of cubic meters of liquid radioactive waste on board was relocated at the end of May from Bolshoy Kamen to Pavlovskogo Bay, where it stands to this day.

The skill with which military men have been able to move around a ship that was written off long ago and is overloaded with a politically dangerous cargo is amazing. After all, back in spring Maritime Kray Administration announced there was a danger of the old tanker sinking spontaneously and liquid radioactive waste discharging accidentally into the bay.

Now however, after another stage of work by the Russian-Japanese commission, Yevgeniy Stomatyuk, chairman of the kray committee for natural resources, announced that this notorious liquid radioactive waste is a very insignificant part of the radiation danger that actually exists on the kray's territory at the present time. And in announcing this, he cited the existing ban on shipping solid radioactive waste out of Maritime Kray via the Trans-Siberian Railroad.

Nevertheless, despite all this, environmentally concerned Japan is still prepared to donate some of the money earmarked by its government for Russian disarmament to the plan for constructing a complex to process liquid radioactive waste. The commission calculates that three-four weeks will be spent finalizing the documentation and conditions of tender—an international auction-cum-investors' meeting which will specify a firm that is capable of implementing the plan to construct the floating complex at a realistically low price and taking into account all Russian and international environmental safety requirements.

Applications to participate in the tender have already been received from 20 firms and companies, mainly from Japan and the United States. Not one of these firms is Russian, unfortunately.

Special Economic Zone To Be Established in Sakhalin

LD2806164894 Moscow INTERFAX in English 1309 GMT 28 Jun 94

[Text] The Russian State Duma Committee on Economic Policy and the administration of the Sakhalin Region have agreed to draft a law on Sakhalin providing for the establishment of a special economic zone on a part of the region's territory. Chairman of the State Duma Committee on Economic Policy Sergey Glazyev said in Yuzhno-Sakhalinsk when meeting with representatives of the local executive and legislative bodies.

Glazyev said that the administration could be given the right to set quotas for fishing independently immediately without waiting for the law to be adopted. However, Glazyev stressed that enlargement of rights must be followed by greater responsibility of the local authorities for the utilization of natural resources and for investments into the social infrastructure.

Buryatia Reintroduces State Regulation of Timber

PM2906103194 Moscow ROSSIYSKAYA GAZETA in Russian 28 Jun 94 First Edition p 2

[ITAR-TASS report: "When Freedom Is Too Much For You"]

[Text] State regulation of the timber industry has been reintroduced in Buryatia by decision of the republic Council of Ministers. The republic government was

forced into taking this step by the critical situation in this sector, which was rapidly privatized two years ago.

The newfound freedom turned out to be a heavy burden for the 15 joint-stock companies formed on the basis of the Transbaykal region's timber procurement establishments. Their output proved uncompetitive not only in the world market but also in the Russian market, as its prime cost is greater than those of its nearest rivals in Siberia.

Nevertheless, the Government of Buryatia's decision does not signal a return to the administrative economic management of the sector. The "Lesopromyshlennaya Kompaniya 'Zabaykalles'" state enterprise will only be a coordinating body. Its main task is to coordinate interests of the republic and the joint-stock companies and to create a scientifically and economically based model of investment in the Transbaykal region's timber industry.

International Affairs

Kravchuk: Nonproliferation Treaty To Be Signed 'as Soon as Possible'

BR2806141794 Rome LA REPUBBLICA in Italian 28 Jun 94 p 15

[Interview with acting President Leonid Kravchuk by Enrico Franceschini; place and date not given: "Leonid Kravchuk Seeks Reelection by Wooing Communists: 'The Worst Is Over'"]

[Text] Kiev—Leonid Kravchuk's fellow citizens say of him: "He could walk in the rain and not get wet, by dodging the raindrops." In politics, this "agility" has enabled him to slide from one ideology to another without losing face—or not too much, at least. The Ukrainian Houdini has elevated the quick-change act to an art: Secretary of the Communist Party Central Committee until 1991, he did not say a word in defense of Gorbachev during the time of the attempted "August coup"; but after the coup failed he sided with the Ukrainian independence movement and was elected president by a landslide vote a few months later. Now he is seeking reelection by flirting with the communists (he appointed one of them prime minister), but he is also wooing the moderate nationalists. A man for all seasons who has the good fortune always to appear like the "lesser evil," helped by the absence of worthy alternative candidates and by an unscrupulous exploitation of power.

[Franceschini] During your two-and-a-half years as president Ukraine has plummeted into an abyss. Do you not feel responsible?

[Kravchuk] I disagree. Only those who do nothing make no mistakes. We have made some, but we have also done a great deal—building from nothing an independent state, without wars or disasters, with democratic structures and its own Armed Forces, earning the respect of the international community. The worst is over. We have a long way to go, but we are on course, and in two or three years' time everything will be resolved.

[Franceschini] Are you in favor of forming a Slavic confederation between Russia, Ukraine, and Belarus, as some people have been suggesting recently?

[Kravchuk] It is a dangerous idea. It could spark a tide of pan-Slavism and nationalism from Eastern Europe to Kazakhstan, in all the countries where millions of Slavs live. It is impossible to create unions on the basis of the ethnic-national principle. But we do want to have good relations with Russia, especially in the economic field.

[Franceschini] Crimea and East Ukraine, where 10 million Russians live, are pressing to return to Russia's orbit. Could this prompt a conflict between Moscow and Kiev?

[Kravchuk] Russia and Ukraine have lived together for 350 years, have never taken up arms against each other, and will never do so. To resolve the issue of Crimea's autonomy we will not resort to force under any circumstances. We are in favor of a peaceful solution of the problem, and I think we are moving in this direction.

[Franceschini] Will Ukraine sign the nuclear nonproliferation treaty and thus pledge to consign its arsenal to Russia?

[Kravchuk] With me as president, the treaty will be immediately submitted to Parliament for ratification as soon as possible. It is an essential duty that we have taken on with respect to the international community.

Kuchma Calls for Renegotiation of Treaty

BR2806141594 Rome LA REPUBBLICA in Italian 28 Jun 94 p 5

[Interview with presidential candidate Leonid Kuchma by Enrico Franceschini; place and date not given: "Challenger: 'Europe, Help Us'"]

[Text] Kiev—As small as [President] Kravchuk is massive, Leonid Kuchma has based his election campaign on the defense of the rights of the huge Russian minority and on the support of the communists, for whom Ukraine's Russians vote almost unanimously. But if there is one label that sticks to him well, it is "missile man": For 20 years, until 1992, he was director of the world's largest strategic missile factory, at Dnepropetrovsk in central Ukraine. For this reason he enjoys the support of the Ukrainian military-industrial complex and has adopted a tougher line than his rival on possession of the 1,800 nuclear missiles left in Ukraine after the end of the USSR.

[Franceschini] Would you have Parliament sign the nuclear nonproliferation treaty?

[Kuchma] If elected president, I will not press for a ratification vote. Ukraine's signing of that treaty depends on the honoring of the promises made to us by the United States and Russia: We were supposed to receive a billion dollars for dismantling the nuclear devices, but we have not yet seen a single cent or kopeck. So far we have heard nothing but words. When we see deeds, we will talk about the treaty again.

[Franceschini] What do you expect from Europe?

[Kuchma] Specific measures to cooperate with us, to show us what kind of Ukraine you want to have as a partner. Europe must realize that 90 percent of Ukrainians live in conditions of extreme poverty and that tragic events could happen here, as in the former Yugoslavia.

[Franceschini] What would your policy toward Russia be?

[Kuchma] Some 80 percent of our economy is integrated with Russia's. This alone is enough to explain why we need an economic union with Moscow. Ukraine must be not a cordon sanitaire between Russia and the rest of Europe, but a bridge between East and West. We are bound to Russia by thousands of historical and cultural ties. Conflict with Russia is solely to our detriment. Our two states are bound to maintain a close partnership—like the United States and Canada, for instance.

[Franceschini] Are you in favor of the privatization of the economy?

[Kuchma] Yes, but privatization must be carried out under strict state control, otherwise it will merely serve to increase the wealth of the mafia's structures, which are already closely bound to our bureaucratic apparatus. Furthermore, it is necessary to allocate special funds to research, culture, and the poorest classes, starting with an increase in pensions.

[Franceschini] What is your vision of the Ukraine of tomorrow?

[Kuchma] A state in which those who work honestly can aspire to a better life than those who steal and waste the state's assets.

Residents Vote for Black Sea Fleet Base in Sevastopol

LD2806163994 Moscow ITAR-TASS in English 1322 GMT 28 Jun 94

[Report by ITAR-TASS correspondents]

[Text] Kiev 28 June TASS— About 80 per cent of residents in the Crimean sea port of Sevastopol voted on Sunday for basing of the Russian Black Sea Fleet in their city, the press service of the Crimean Parliament told TASS on Tuesday.

The plebiscite was held on a par with the first round of Ukrainian presidential elections.

Further Cooperation Agreed With Cuban Delegation

LD2806163094 Kiev Radio Ukraine World Service in Ukrainian 1100 GMT 28 Jun 94

[Text] We are ready for cooperation with Cuba—Ukrainian Foreign Minister Anatolii Zlenko stated this during a meeting with Lionel Soto, deputy chairman of the Republic of Cuba's Council of Ministers, who is on an official visit to Ukraine.

Ukraine has always attached great significance to friendly relations with Cuba, and these traditional links should serve as a sure foundation for the development of trade, economic, and cultural relations between our countries, Zlenko emphasized.

Cuba considers Ukraine to be a friend, Soto observed. We will always be grateful to your country for the

support, which it gave to the young independent Cuba. Our country is very interested in the further development of bilateral relations with Ukraine.

Willingness To Work With European Initiative Stressed

LD2906090694 Kiev Radio Ukraine World Service in Ukrainian 1900 GMT 28 Jun 94

[Text] The status granted to Ukraine of associate council member of the Central European Initiative could create favorable conditions for Ukraine to acquire full membership of this authoritative organization as soon as possible. During a meeting with journalists, (Volodymyr Lapytskyy), Ukraine's coordinator in this organization, stressed that Ukraine confirmed its willingness to take part in the work of the Central European Initiative groups on transportation, energy, culture, ecology, science, technology, and information. Ukraine pays particular attention to cooperation in the sphere of transportation. It is already taking part in the construction of the Ukrainian part of the Trieste-Budapest-Kiev Trans-European highway. The European Bank of Reconstruction and Development is financing this project.

National Affairs

Supreme Council To Debate Halting Nuclear Withdrawal

LD2806161594 Kiev UNIAN in Ukrainian 1220 GMT 28 Jun 94

[Text] Kiev—A plenary sitting of Ukraine's Supreme Council began on 28 June. A tentative list of issues that will be debated in the period from 28 June to 1 July was approved.

At the insistence of Oleh Vitovych, chairman of the subcommission for human rights issues, deputies included in the session's agenda the issue of temporarily halting the withdrawal of nuclear weapons from Ukraine, with 141 votes in favor. The Supreme Council Commission for Issues of Defense and State Security was charged with preparing this issue for the parliament's consideration.

In an interview with a UNIAN correspondent, Oleh Vitovych said: "We consider that the largest countries, Russia and the United States, should begin the process of disarmament throughout the world and that all other states should follow their example." In his words, the material and technical aspects of "unilateral disarmament" do not benefit Ukraine; none of the promises made by Boris Yeltsin and Bill Clinton at the signing of the trilateral agreement with regard to the withdrawal of nuclear weapons from Ukraine is being fulfilled.

In Oleh Vitovych's view, the biggest tactical and strategic mistake made by the previous Ukrainian parliament was that its deputies "took the liberty of hearing the view of

the well-known pacifist, Dmytro Pavlychko, who stubbornly forced the issue through." Oleh Vitovych also said that he has had a meeting with Leonid Smolyakov, Russia's ambassador to Ukraine, during which he accused the Russian side of interfering in Ukraine's internal affairs, particularly in Crimea. Vitovych considers that only nuclear weapons could become the single guarantor of peace on Ukrainian lands. He said: "There will be no war in the country until the last warhead crosses the Russian border."

In Oleh Vitovych's view, the inclusion in the session's agenda of the issue on temporarily halting the withdrawal of nuclear weapons from Ukraine is proof that the overwhelming majority of deputies have seen common sense and that they detest President Leonid Kravchuk.

People's deputy Serhiy Dovhan, chairman of the Peasant Party of Ukraine, expressed the assumption in an interview with a UNIAN correspondent that deputies agreed to consider this issue because they want information on the state of the withdrawal of nuclear weapons and on how the obligations taken on by Ukraine, Russia, and the United States during the signing of the trilateral agreement are being observed.

In an interview with a UNIAN correspondent, people's deputy Vasyl Durdynets said that the "inclusion in the Supreme Council's agenda—by a small group of deputies—of such a proposal does not in any way mean that the withdrawal of nuclear weapons from Ukraine would really be halted."

Vasyl Durdynets is counting on the responsibility of those who will prepare this issue for the deputies' consideration. He also said that the Center deputies' group has still not discussed its joint position on this matter.

Supreme Council Presidium member Hryhoriy Omelchenko stressed that "if Ukraine signed the trilateral agreement made by the presidents and announced its non-nuclear status, then it should be consistent in abiding by this position."

Hryhoriy Omelchenko noted that this also means the implementation of the trilateral agreement by all three states.

The Union of Officers of Ukraine, of which Hryhoriy Omelchenko is deputy head, has still not discussed this issue at its meeting.

At Les Tanyuk's insistence, the issue of using a \$500 million dollar credit which was given to Ukraine's agro-industrial complex, was also included on the agenda. In Les Tanyuk's words, Oleksandr Tkachenko, first deputy chairman of the Supreme Council, is directly involved in distributing these funds.

After this, deputies began discussing the introduction of changes and additions to Article 7 of the Ukrainian law "On the Militia". Leonid Borodych, chairman of the Commission for Issues of Legality and Law and Order,

argued the necessity of introducing amendments, and said that the militia had recently been used for political purposes and that it is implementing someone's social orders. An example is Crimea where, as a result of using the militia for purposes other than what it was designated for, (protecting the president and his family) crime has shown a tendency to increase. It is proposed that an amendment be introduced to Article 7 in the following terms: "The militia is subordinate to Ukraine's Ministry of Internal Affairs and the minister exercises leadership over all militia subunits in Ukraine." It is also proposed to form a main directorate of Ukraine's Internal Affairs Ministry in Crimea and a main directorate of the Ministry of Internal Affairs in the cities of Kiev and Sevastopol and in the oblasts within the system of the Ministry of Internal Affairs.

Leonid Borodych is convinced that the possibility exists of introducing such a body in the system of the Internal Affairs Ministry without any forcible methods. However, some deputies stressed that such a decision could lead to the situation between Ukraine and Crimea becoming tense and that is why it is necessary to postpone it until either after the second round of presidential elections or until after the work on bringing the Crimean constitution into line with that of Ukraine's has ended.

After the discussion the proposed amendment to the Ukrainian law "On the militia" was adopted with a single remark—the directorate which is currently subordinate only to the Internal Affairs Ministry will report to the local council about its activities.

Neither Kravchuk, Kuchma 'Consolidating Figure'
LD2806161694 Moscow INTERFAX in English 1502 GMT 28 Jun 94

[From the "Presidential Bulletin" feature, compiled by Nikolay Zhrebtsov and Andrey Petrovskiy and edited by Vladimir Shishlin]

[Text] According to election commissions in constituencies in the presidential election on June 26 9 million 87 thousand 995 voters (38 percent) cast their ballots for the incumbent, Leonid Kravchuk, and 8 million 221 thousand 515 (32) percent, for ex-Prime Minister Leonid Kuchma.

A total of 25 million 800 voters took part in the presidential election.

Under the Ukrainian law if neither candidate collects 50 percent of the votes at once, the two top candidates qualify for a run-off.

The central electoral commission is going to set a date for the election of the Ukrainian president later this week. The run-off is to be held no later than two weeks after the first round.

The chief of the presidential service Vladimir Shlyaposhnikov has told IF that Kravchuk's victory was not a

surprise. As for the complete failure of the ex-speaker Ivan Plyushch, who according to early returns holds sixth place, it was totally unexpected. The returns from the first round of the presidential election in Ukraine are evidence that neither candidate is regarded as a consolidating figure and that the trend of Ukraine's split along geographic and political lines goes on. The West voted for Kravchuk, and the East for Kuchma, the chairman of the State Duma's Committee for the CIS affairs and contacts with compatriots Konstantin Zatulin has said. He led the Russian parliament's observer delegation monitoring the election.

He believes that irrespective of the results of the run-off it is clear that Kravchuk has lost the status of the national leader.

Zatulin has described the relatively high percentage of votes cast for Kuchma as his major success, emphasized by the fact that the entire state machinery worked against him throughout the election campaign.

Zatulin pointed to the fact that in contrast to the parliamentary elections the presidential election was attended by far fewer international observers, which may lead to election rigging. Zatulin said that by not sending their observers the Western countries gave Leonid Kravchuk and the party in power in Ukraine a chance to influence the outcome of the elections.

Kuchma Confident at Post-Election News Conference

*LD2906102694 Kiev UNIAN in Ukrainian 2200 GMT
28 Jun 94*

[Text] Kiev, 28 Jun—"I am not yet president and so many people have already gathered," said Ukrainian presidential candidate Leonid Kuchma opening a news conference on the results of the first round of the elections.

A representative of the presidential candidate's team at the news conference said the outcome of the first round demonstrated that "the new course proposed by Kuchma enjoys popularity among the people." The candidate himself added: "It also shows that most of the other deputies are using none other than my program in the preelection contest."

Leonid Kuchma underscored that opportunities to use the state mass media in the preelection campaign were not equal. Asked about his own use of the private mass media in Donetsk and Kiev and his appearance on Ostankino TV, Mr. Kuchma replied that "Leonid Kravchuk did it on a much larger scale".

The outcome of the election in Crimea was described by Mr. Kuchma as crucial. There, as we know, over 83 percent of the electorate voted in favor of his candidacy. "Crimea has proved to be an absolutely normal part of Ukraine," Leonid Kuchma said.

"My aim is not winning. My aim is, under the conditions of an information blockade, communicating to the public at large my own views and opinions on the situation in the state," Leonid Kuchma concluded.

Electoral Commission Reports Election Results

*LD2906032494 Kiev UNIAN in Ukrainian 1730 GMT
28 Jun 94*

[Text] Kiev—The Central Electoral Commission on 28 June summed up the outcome of the presidential election in Ukraine. As the result of the ballot in 27 constituencies, Leonid Kravchuk secured 37.7 percent of the vote or 9,944,740 votes; Leonid Kuchma 31.27 percent or 8,244,840; Oleksandr Moroz 13 percent or 3,437,810; Volodymyr Lanovyy 9.3 percent or 2,455,830; Valeriy Babych 2.4 percent or 630,392; Ivan Plyushch 1.3 percent or 341,720, and Petro Talanchuk .5 percent or 142,996.

Thus, it is Leonid Kravchuk and Leonid Kuchma who are through to the second round of the election.

[UNIAN provides results broken down by region] KIEV: Valeriy Babych - 4.7 percent, Leonid Kravchuk - 38.8 percent, Leonid Kuchma - 18.2 percent, Volodymyr Lanovyy - 25.15 percent, Oleksandr Moroz - 8.4 percent, Ivan Plyushch - 1.2 percent and Petro Talanchuk .5 percent.

ZAPOROZHYE OBLAST: Valeriy Babych - 2.2 percent, Leonid Kravchuk - 23.76 percent, Leonid Kuchma - 48.46 percent, Volodymyr Lanovyy - 7.73 percent, Oleksandr Moroz - 12.44 percent, Ivan Plyushch - .95 percent and Petro Talanchuk .53 percent.

KIEV OBLAST: Valeriy Babych - 3.31 percent, Leonid Kravchuk - 41.06 percent, Leonid Kuchma - 18.43 percent, Volodymyr Lanovyy - 16.55 percent, Oleksandr Moroz - 13.63 percent, Ivan Plyushch - 1.74 percent and Petro Talanchuk .75 percent.

KIROVOGRAD OBLAST: Valeriy Babych - 2.51 percent, Leonid Kravchuk - 30.02 percent, Leonid Kuchma - 20.95 percent, Volodymyr Lanovyy - 18.9 percent, Oleksandr Moroz - 21.04 percent, Ivan Plyushch - 1.7 percent and Petro Talanchuk .61 percent.

LUGANSK OBLAST: Valeriy Babych - 1.82 percent, Leonid Kravchuk - 9.7 percent, Leonid Kuchma - 53.61 percent, Volodymyr Lanovyy - 4.53 percent, Oleksandr Moroz - 25.43 percent, Ivan Plyushch .74 percent and Petro Talanchuk .41 percent.

LVOV OBLAST: Valeriy Babych - .04 percent, Leonid Kravchuk - 89.34 percent, Leonid Kuchma - 3.55 percent, Volodymyr Lanovyy - 1.64 percent, Oleksandr Moroz - 1.21 percent, Ivan Plyushch - .48 percent and Petro Talanchuk .01 percent.

NIKOLAYEV OBLAST: Valeriy Babych - 2.72 percent, Leonid Kravchuk - 37.14 percent, Leonid Kuchma - 33.37 percent, Volodymyr Lanovyy - 8.84 percent,

Oleksandr Moroz - 12.6 percent, Ivan Plyushch - 1.08 percent and Petro Talanchuk .6 percent.

CHERKASSY OBLAST: Valeriy Babych - 2.42 percent, Leonid Kravchuk - 39.09 percent, Leonid Kuchma - 18 percent, Volodymyr Lanovyy - 12.66 percent, Oleksandr Moroz 20.88 percent, Ivan Plyushch 1.67 percent and Petro Talanchuk .55 percent.

CHERNIGOV OBLAST: Valeriy Babych - 1.86 percent, Leonid Kravchuk - 20.91 percent, Leonid Kuchma - 45.53 percent, Volodymyr Lanovyy - 7.56 percent, Oleksandr Moroz - 15.08 percent, Ivan Plyushch 3.2 percent and Petro Talanchuk .49 percent.

VOLYN OBLAST: Valeriy Babych - 1.83 percent, Leonid Kravchuk - 70.65 percent, Leonid Kuchma - 5.63 percent, Volodymyr Lanovyy - 10.94 percent, Oleksandr Moroz - 7.72 percent, Ivan Plyushch - 1.33 percent and Petro Talanchuk .6 percent.

SUMY OBLAST: Valeriy Babych - 2.51 percent, Leonid Kravchuk 23.04 percent, Leonid Kuchma - 30.29 percent, Volodymyr Lanovyy 11.5 percent, Oleksandr Moroz - 24.95 percent, Ivan Plyushch 1.73 percent and Petro Talanchuk .67 percent.

KHMELNITSKIY OBLAST: Valeriy Babych - 1.8 percent, Leonid Kravchuk - 40 percent, Leonid Kuchma - 15.6 percent, Volodymyr Lanovyy 11.5 percent, Oleksandr Moroz 23.5 percent, Ivan Plyushch 1.9 percent and Petro Talanchuk 1.7 percent.

VINNITSA OBLAST: Valeriy Babych - 2.24 percent, Leonid Kravchuk - 44.42 percent, Leonid Kuchma 19.62 percent, Volodymyr Lanovyy - 9.65 percent, Oleksandr Moroz - 15.21 percent, Ivan Plyushch - 1.93 percent and Petro Talanchuk .89 percent.

DNEPROPETROVSK OBLAST: Valeriy Babych - 4.02 percent, Leonid Kravchuk - 26.58 percent, Leonid Kuchma - 43.51 percent, Volodymyr Lanovyy - 11.92 percent, Oleksandr Moroz - 8.76 percent, Ivan Plyushch - .79 percent and Petro Talanchuk .42 percent.

ZHITOMIR OBLAST: Valeriy Babych - 2.4 percent, Leonid Kravchuk - 46.36 percent, Leonid Kuchma - 19.59 percent, Volodymyr Lanovyy - 10.74 percent, Oleksandr Moroz - 13.99 percent, Ivan Plyushch - 1.33 percent and Petro Talanchuk .62 percent.

TRANSCARPATHIAN OBLAST: Valeriy Babych - 6.04 percent, Leonid Kravchuk - 49.72 percent, Leonid Kuchma - 16.84 percent, Volodymyr Lanovyy - 10.27 percent, Oleksandr Moroz - 4.24 percent, Ivan Plyushch - 2.41 percent and Petro Talanchuk 1.52 percent.

ODESSA OBLAST: Valeriy Babych - .27 percent, Leonid Kravchuk - 23.02 percent, Leonid Kuchma - 41.82 percent, Volodymyr Lanovyy - 11.43 percent, Oleksandr Moroz - 13.97 percent, Ivan Plyushch - .95 percent and Petro Talanchuk .7 percent.

KHARKOV OBLAST: Valeriy Babych - 3.14 percent, Leonid Kravchuk - 24.44 percent, Leonid Kuchma - 34.18 percent, Volodymyr Lanovyy - 9.55 percent, Oleksandr Moroz - 22.17 percent, Ivan Plyushch - one percent and Petro Talanchuk .57 percent.

DONETSK OBLAST: Valeriy Babych - 2.13 percent, Leonid Kravchuk - 16.08 percent, Leonid Kuchma - 53.59 percent, Volodymyr Lanovyy - 5.19 percent, Oleksandr Moroz - 15.45 percent, Ivan Plyushch - 1.53 percent and Petro Talanchuk .47 percent.

IVANO-FRANKOVSK OBLAST: Valeriy Babych - .43 percent, Leonid Kravchuk - 87.78 percent, Leonid Kuchma - 3.07 percent, Volodymyr Lanovyy - 2.99 percent, Oleksandr Moroz - 1.4 percent, Ivan Plyushch - .8 percent and Petro Talanchuk - .3 percent.

LVOV OBLAST [as received]: Valeriy Babych - .41 percent, Leonid Kravchuk - 87.81 percent, Leonid Kuchma - 3.49 percent, Volodymyr Lanovyy - 1.6 percent, Oleksandr Moroz - 16 percent, Ivan Plyushch - .48 percent and .2 percent.

TERNOPOL OBLAST: Valeriy Babych - .44 percent, Leonid Kravchuk - 91.04 percent, Leonid Kuchma - 2.51 percent, Volodymyr Lanovyy - 1.89 percent, Oleksandr Moroz - 1.05 percent, Ivan Plyushch - .73 percent and Petro Talanchuk .24 percent.

POLTAVA OBLAST: Valeriy Babych - 2.51 percent, Leonid Kravchuk - 29.53 percent, Leonid Kuchma - 28.4 percent, Volodymyr Lanovyy - 14.18 percent, Oleksandr Moroz - 18.29 percent, Ivan Plyushch - 2.21 percent and Petro Talanchuk .55 percent.

ROVNO OBLAST: Valeriy Babych - .99 percent, Leonid Kravchuk - 75.75 percent, Leonid Kuchma - 5.9 percent, Volodymyr Lanovyy - 6.95 percent, Oleksandr Moroz - 6.09 percent, Ivan Plyushch - .89 percent and Petro Talanchuk .4 percent.

KHERSON OBLAST: Valeriy Babych - 2.22 percent, Leonid Kravchuk - 25.71 percent, Leonid Kuchma - 34.01 percent, Volodymyr Lanovyy - 9.86 percent, Oleksandr Moroz - 19.48 percent, Ivan Plyushch - 1.14 percent and Petro Talanchuk .61 percent.

REPUBLIC OF CRIMEA: Valeriy Babych - 1.93 percent, Leonid Kravchuk - 7.43 percent, Leonid Kuchma - 82.68 percent, Volodymyr Lanovyy - 3.36 percent, Oleksandr Moroz - 1.26 percent, Ivan Plyushch - .3 percent and Petro Talanchuk .22 percent.

CITY OF SEVASTOPOL: Valeriy Babych - 1.5 percent, Leonid Kravchuk - 5.55 percent, Leonid Kuchma - 82.11 percent, Volodymyr Lanovyy - 3.97 percent, Oleksandr Moroz - 2.42 percent, Ivan Plyushch - .44 percent and Petro Talanchuk .3 percent.

Report Views Significance of Elections

AU2906133794 Kiev HOLOS UKRAYINY in Ukrainian
28 Jun 94 pp 1, 2

[Report by Volodymyr Skachko: "They Voted for the State"]

[Text] At the 26 June elections, not only did the entire adult population of Ukraine vote for a new president, but also for 11,440 chairmen of local councils and 165,000 people's deputies at all levels. Tentative data indicate that 68.4 percent of the electorate (more than 25 million people) participated in the elections, and, consequently, the elections are valid.

Final results regarding individual people are still being summarized, but it cannot be ruled out that there will be the second round of both presidential and local elections, but one can already discuss certain trends. First, the activity of those who came to more than 30,000 polling stations indicates that the people in Ukraine are still interested in renewing the power at all levels. Second, compared with the parliamentary elections, the activity of the people abated, even though its main pattern has remained: The voting was more active in the West, more passive in the south, and the center showed the "golden mean." As before, the capital added its "negative" touch—less than 52 percent of the electorate voted in Kiev.

Third, only final results will show which political forces and where prevailed, but it may already be asserted that the very fact of elections that have taken place indicates that, despite the possible sharp political regionalization (the "left wing" in the east and south and the "right wing" in the west), no one spoke against the existence of the Ukrainian state.

The dissimilar political preferences are nothing but indications that there exist dissimilar visions of the approaches to building both the local and general state order. Therefore, the main task of official Kiev is to find such a model of state building as would balance out the political differences. This is precisely the case when the general state consensus must be based on values common to all people. For example, political confrontation must be abandoned for the sake of overcoming crisis phenomena and improving the standard of living of the people. There may be dissimilar roads to this in different areas.

Yet another conspicuous (at least in words) characteristic of these elections was the fact that none of the presidential candidates spoke about excessive politicization. On the contrary, everyone spoke about the building of such an independent state, which must be underlain by a sound economy. At the polling stations in Kiev where Ukrainian presidential candidates spoke, we managed to record ideas of some of them about the main principles of our state's existence. We offer them for your attention.

L. Kravchuk (on the main result of the election campaign and private ownership): "I visited many regions and became convinced that the people want to have their own state. It is true that the people disagree with leaders and their policy, but they are not against the statehood. Nor do they, incidentally, oppose private ownership, as some people maintain. If a citizen wants to have his private property, let him have it. It is only necessary to specify its status, rights of ownership, and the mechanism for its protection. There will be no democracy without [private] ownership. If a person is not free economically and if he cannot freely use his property or the results of his work, there will be no democratic development."

I. Plyushch (on proposals with regard to a Slavic conference): "It cannot be done the way they want. It takes years to do such things, they must be allowed to ripen. We have not even ultimately divided the Union, but are already trying to create something else. We must bring the previous process to its logical completion, create a CIS market, and then, possibly, create something new. Radical measures are only proposed when one wants to do harm to someone."

L. Kuchma (on Ukraine's future): "Ukraine needs new technologies and new equipment. Everything else is mere talk. Ukraine does not need philanthropic assistance. Europe and America must proceed from this and must determine what kind of Ukraine they want to see: economically strong or something else."

"I was asked about my first steps in case I am elected president. I answer: Everybody must feel that a real master has appeared in Ukraine and that the situation, which prevails today, when nobody heeds others, must end."

V. Lanovyy (on governing the state): "The main thing is to have local self-government so that those leaders who receive powers would be answerable. It is not so important whether these are left or right-wing forces. They have received their mandates and will be under the control of those people who elected them and may recall them."

"I am in favor of having presidential representatives in the provinces, representatives who supervise the fulfillment of the general state legislation. However, in addition to that, we must constitutionally approve restrictions to the legislative powers of local councils. If there are no such restrictions, other regions may follow in the footsteps of the Crimea."

Other leaders also care and will care about strengthening the Ukrainian state and, therefore, these elections have constituted yet another step toward crystallizing the Ukrainian political elite whose absence is anyone's talk.

Sevastopol To Suspend Activities of Mission

LD2906082494 Moscow ITAR-TASS in English 0737
GMT 29 Jun 94

[By UKRINFORM correspondent Mikhail Stetsyuk for TASS]

[Text] Sevastopol June 29 TASS—The results of elections of the city mayor and deputies to the Sevastopol City Council were discussed at a session of the Electoral Commission on Tuesday. The mandates won by 50 deputies and chairman of the executive committee Viktor Semenov were recognised valid.

Viktor Semenov, in his first address as the city mayor, said that the new power would be tough and its goal would be to improve the life of city residents. Semenov pledged to suspend the activities of the Ukrainian president's mission in Sevastopol on the very first day when the newly elected city council comes into office, saying that organs of state administration would begin to operate in accordance with a regime of the executive committee of the city council of people's deputies.

Semenov intends to put problems, pertaining to the possibility of Sevastopol's integration into the Crimean common economic space, on the agenda of the first session of the city council. In this connection, the city council shall appeal to the president and the parliament of the autonomous republic in order to apply the banking, currency and customs policy pursued by the Crimean authorities, on the city's territory.

The new mayor intends to endorse the city's emblem and its anthem at the first session of the city council.

Defense Minister Visits Odessa Military District

LD2906092294 Kiev UNIAN in Ukrainian 1730 GMT
28 Jun 94

[Text] Kiev [No date as received]—The Ukrainian Defense Ministry's press service reports that Army General Vitaliy Radetsky, minister of defense, is on a working visit to the Odessa military district. In particular he learned about the state of affairs in the Bolgrad air division.

Ukraine's defense minister familiarized himself with the training of personnel for the summer education period which is to begin 1 July. He paid considerable attention to the preparation of premises and the entire housing stock for winter.

On the same day the Ukrainian defense minister visited the Donetsk military school where the final, 25th graduation will soon take place. The military academy which was formed on the basis of the military school will this year receive young men who dream of military service.

Prime Minister Cuts Cabinet Staff 20 Percent

LD2906085394 Kiev Radio Ukraine World Service in Ukrainian 1900 GMT 28 Jun 94

[Text] One of the first documents to be signed by Vitaliy Masol, the new prime minister of Ukraine, was a resolution on cutting the number of workers of the Cabinet office. In accordance with the resolution, the four structural subdivisions of the office administration have been abolished and the number of workers cut in a number of branches. The staff has been reduced by a total of 159 persons, that is, almost 20 percent.

Parliament Endorses Amendments Local Government Law

LD2906091494 Moscow ITAR-TASS in English 0832
GMT 29 Jun 94

[By UKRINFORM correspondent Viktor Kovalenko for TASS]

[Text] Kiev June 29 TASS—The Ukrainian parliament endorsed amendments "To the Ukrainian law on local bodies of power and local government" on Tuesday by 216 votes. The law was recently turned down by the Ukrainian President Leonid Kravchuk and returned to the Ukrainian parliament for amendment.

Lawmakers approved amendments to three key articles of the law. Now, the law bans deputies of local councils from membership in executive committees of corresponding councils. The law says that the activities of a local council may be suspended only by the Ukrainian parliament on a request from the president, the Cabinet of Ministers or a superior corresponding council. Thus, the law prevents people's deputies from local councils to concurrently occupy several posts in local bodies of power, while bodies of local government can be disbanded in case of the violation of the legislation.

Analyst Discerns Signs of Karbovanets Strengthening

AU2806165494 Kiev DEMOKRATYCHNA UKRAYINA in Ukrainian 25 Jun 94 p 2

[Report by UNIAN correspondent Anatoliy Drobyazko: "The Dollar Comes and Goes, Whereas the Karbovanets Is Always in Demand"]

[Text]

Your Money or Your Life?

Ukraine's National Bank on 18 June set an official exchange rate for the U.S. dollar—17,500 karbovanetsi [K] for \$1, which is K1,000 higher than the preceding rate (of 8 June). In this way, the exchange rate of the karbovanets continues to be smoothly regulated and brought closer (although not really fast enough) to the true rate of exchange prevailing on the market. At the same time, last week revealed a quite interesting trend:

When the exchange rate of the karbovanets was carefully set at an unreasonably low level, its exchange rate with regard to the dollar fell increasingly deeper, but, as soon as the National Bank started lowering the rate, a different phenomenon began to be observed on the market.

On the currency cash market, for example, the position of the karbovanets became somewhat more steady from 10-17 June—both with regard to hard currencies and the Russian ruble. By way of example, the exchange rate of the U.S. dollar ranged at purchase between K45,500 and K46,500 for \$1 and at sale between K46,400 and K48,000 for \$1. This is on average 2 percent lower than what the dollar cost last week. The rate of the Russian ruble ranged between K21,000 and K22,600 (at purchase) and between K22,500 and K25,000 (at sale) and decreased by comparison with the last week's rate by between 2.8 and 4.7 percent. The German mark cost at purchase between K26,900 and K27,800 and at sale between K27,600 and K29,000—in other words, it showed over a week trends characteristic of the U.S. dollar.

The Ukrainian karbovanets also gained strength at the exchanges of the CIS countries. For example, at the Minsk currency exchange, the rate of the karbovanets grew from 0.58 Belarusian rubles for K1 on 8 June to 0.68 Belarusian rubles for K1 on 16 June. Thus, the cross rate of the cashless Ukrainian karbovanets with regard to the U.S. dollar constitutes in Minsk K39,411.8 for \$1. At the Moscow Interbank currency exchange, the rate of the karbovanets grew from 4.30 Russian rubles [R] for K100 on 8 June to R4.55 for K100 on 17 June. The cross rate of the cashless Ukrainian karbovanets at the Moscow Interbank currency exchange with regard to the U.S. dollar constituted in the final analysis K43,142.9 for \$1.

What factors affected the currency market?

The currency dealers continued their speculation toward lowering the exchange rate of hard currencies. The fact that the rate is in the zone of resistance is indicated by the low activity of market entrepreneurs, but the quite steady fall in the rate of the U.S. dollar is a matter of concern for owners of small amounts of cash. This may be accounted for by the continued situation associated with the destabilization of the currency market at the end of May. Expectations of inflation also continue to intensify as a result of introducing into circulation of the K200,000 banknote. In addition to that, as is known, a decision was adopted on the procedure for issuing credits for agricultural work and on the size of credits, and this may lead to a 10-percent rise in the rate of the U.S. dollar as soon as at the beginning of July.

A certain counterbalance to these negative factors is, to some extent, an improvement in the liquidity indexes of commercial banks, which is associated with the present reserved policy pursued by Ukraine's National Bank, the introduction of the system of electronic settlements, and, as a consequence, a sharp rise in the circulation of capital, the appearance of a surplus of free credit

resources, and a decrease in bank interest rates. Besides, with the beginning of the vacation season, the turnover on the currency market has increased due to the natural migration of people. However, if the exchange rate of the dollar continues to be low, then, everything considered, it will be more profitable to sell dollars for rubles directly in Russia.

Commission Says AES Safety Not Guaranteed

LD2906132194 Kiev UNIAN in Ukrainian 1730 GMT 28 Jun 94

[Text] Chernobyl [no date as received]—A meeting of the Supreme Council Commission for issues of nuclear policy and nuclear safety was held at the Chernobyl AES yesterday. It discussed the safety of Ukraine's nuclear power stations.

Leaders from Ukraine's National Academy of Sciences, the State Atomic Inspectorate, Ukraine's State Atomic Committee, directors of nuclear power stations, and enterprises of the nuclear industry took part in the commission's work.

Having noted the positive tendencies in raising the safety of Ukrainian nuclear power stations, above all, the Chernobyl AES, the meeting's participants concentrated on the present problems of which there are many because of the imperfections of state tariffs. Nuclear power stations are working at a loss: The Ukrainian Ministry of Energy's national dispatching station pays the AES only 200 karbovantsi for 1 kWh, the cost price of which is 750 karbovantsi. But even at this price, the nuclear industry's debts reached two trillion karbovantsi. Because of the shortage of funds, repair and preventative inspection work is being disrupted and therefore the safe working of the AES is not guaranteed. There is a real threat that up to five generating sets each with a capacity of one million kW could be shut down.

In an interview with a UNIAN correspondent, Mykola Pavlovskyy, chairman of the [Nuclear Policy and Safety] Commission, said that its priority task would be to prepare and adopt a law on the use of nuclear energy as soon as possible, and in the future to create an effective legislative base on the basis of which nuclear power engineering will develop.

Miners at 5 Mines in Donetsk Begin Strike

LD2806193594 Moscow INTERFAX in English 1839 GMT 28 Jun 94

[Text] On Tuesday miners of five mines of Ordzhonikidzeugol corporation in Yenakiyevo, Donetsk coal basin, went on strike demanding payment of delayed wages, disability benefits and holiday bonuses. They also demand the dismissal of the general director of the corporation Aleksandr Poshtuk. The labor action is led by the Independent Miners' Union, one of the biggest in Ukraine.

According to the local strike committee, miners have not been paid since April at many facilities. Donetskugol corporation has not been paying its employees since May.

On Tuesday the Ukrainian parliament was told that the reason for the labor action at Pervomaiskugol mining

corporation in the Lugansk Region was the same. There, miners refused to return to the surface after the shift.

According to Interfax-Ukraine, the miners' wages are between three and five million karbovantsy (\$70-\$120) a month.

Belarus**Police Reportedly Attack Presidential Candidate***LD2806142294 Moscow INTERFAX in English 1309 GMT 28 Jun 94*

[Text] Presidential candidate Aleksandr Lukashenko who is firmly in the lead after the first round of presidential elections in Belarus and three of his campaign officers were attacked by police outside his office at the Government House in Minsk on Monday [27 June].

Yesterday, the House Management handed Lukashenko the keys to his office where the anti-corruption commission he led had worked before. However, the office was again closed this morning.

Interior Minister Aleksandr Danko issued an order to provide Lukashenko with security guards of the chief state security department who accompanied him to his office on Tuesday.

In an interview with INTERFAX, Lukashenko said that he was told by members of another security unit of the department outside the Government House that police were ordered not to let him into the building.

Lukashenko spoke of a police assault on himself and his campaign officers outside the House. All four received minor injuries, a fact confirmed by ambulance workers.

Lukashenko himself has formally appealed to the Prosecutor General for investigating the incident provoked, as he put it, by "Interior Minister Aleksandr Danko."

Lukashenko who won the biggest number of votes in the first round now faces a run-off against Prime Minister Vyacheslav Kebich.

Lukashenka Claims Guards Blocked Entrance*WS2806143494 Minsk Radio Minsk Network in Belarusian 1200 GMT 28 Jun 94*

[Interview with presidential candidate Alyaksandr Lukashenka by Mikhail Rudkowski on 28 June; place not given—recorded, in Russian]

[Text] [Lukashenka] Today, escorted by official bodyguards provided to me by the Internal Affairs Ministry and accompanied by a motorcade, I went to my office at the House of Government. At the entrance, I was met by a colonel and lieutenant colonel. Having introduced themselves, they informed me that Internal Affairs Minister Danko had left orders that I not be allowed into the House of Government and my office. This was a scandalous violation of the Constitution and our nation's laws, [words indistinct] the law on the status of people's deputy. I told them about this. Escorted by the group of bodyguards officially assigned to me, as well as one unofficial bodyguard, I entered the House of Government. At the first guard post in the right wing, I was met by a group of militia officers; at least they were in

uniforms, and there were eight of them. They tried to prevent me from entering the Council of Ministers building. True, they did not touch me at this point; they only formed a human wall to prevent my entering. Of course, I went past them and approached People's Deputy Leonid Sinitsyn, head of my staff. They grabbed him by the arm, but he managed to break free. Professor [name indistinct], a member of our group and architect of our program, who became indignant over the entire incident, was also grabbed by the collar; they started to push him out of the House of Government, regardless of the fact that he had all the necessary official documents. The bodyguards lagged behind me, but, nevertheless, we went past the guards and up to the second floor and room 241, where my office is located. There were two militia guards standing there, while six others were running after me and shouting that Danko had forbidden me to be in the building—there were four guards, plus the colonel and lieutenant colonel. I do not remember their names now, but they are identified in my complaint. Four of them seized me by the hands outside the office, one kicked me, and another tore my jacket. They scratched and hurt my hands. Well, naturally, I was forced to open the door with the help of [name indistinct] and Sinitsyn. We opened the door and entered the office. I do not know where they went after that. Still, all the necessary documentation to begin criminal proceedings against the men has been submitted to [Prosecutor General] Shaladonaw. In fact, I think that they have already instigated criminal proceedings and an examination by the Prosecutor's Office is under way. Doctors were already here and documented the injuries, as it should be, to avoid an incident similar to what happened at Lyozna [where shots were allegedly fired at a car carrying Lukashenka].

[Rudkowski] What would you like to say to your supporters?

[Lukashenka] I would like them to participate in the second round of elections. This is the only thing I ask of them—they should not waver. Later on, we will examine all the facts and nuances. These people will have to explain their deeds. I think there is no place for them to emigrate. Or, maybe, there is some place. At any rate, this is a general [Danko] who wants to get Lukashenka out of the way. That will not happen. The people have seen a real chance these days, and they will not lose this opportunity. I am very sure of that. I am supported [by the people] today. I believe that there will be 300,000 people who will support me, and we will bring order to the Republic of Belarus. Namely, constitutional order, legal order, (?where) law will reign.

Lukashenka Expresses Concern Over Election Disruption*WS2806150394 Minsk Radio Minsk Network in Belarusian 1600 GMT 27 Jun 94*

["Excerpts" of statement by presidential candidate Alyaksandr Lukashenka during a news conference on 27 June; place not given—recorded, in Russian]

[Text] [Words indistinct] you are participating in a small historical event. You should congratulate me for a small victory—the Commission for Fighting Corruption is now able to come out from the underground and work openly. We came out today. I should say that the commission was joined today by a very large group of people's deputies who will officially cooperate with this commission.

We have big apprehensions as to whether the second round of presidential elections will be held at all. We expected Vyachaslaw Kebich to withdraw his candidacy; by the way, some journalists were already reporting this at 1500. We are actually afraid of this happening. That would be the first step toward a disruption of the second round, because later it will be easy to control people going to the polling stations. They will simply be forbidden, by leaders and other officials, to go to the polling stations. If you go to your polling station despite all the obstacles, it will mean that you are going to vote for Lukashenka. That is, it will be a very personal-style nationwide vote in the second round. However, this has not happened.

We also receive information from all those circles, which have started to scatter; they run [words indistinct] to our team, as well. They report that [words indistinct] Kebich will withdraw his candidacy. We thought that this would happen today, yet it did not. This is one of the main topics discussed by Kebich's team. I think that these people scarcely have any chance of winning in the second round. A disruption of the second round would lead to the Hryb scenario. According to the Constitution, if the presidential elections are declared invalid, [Supreme Soviet Chairman] Hryb will come to power. Well, it is surely better and more convenient [word indistinct] than that Lukashenka.

I had a very lengthy conversation with the head of the Central Electoral Commission about the next round of elections. This round may be held on 7 [July], but the Central Electoral Commission fears that the technical side of the preparations will be disrupted and that appropriate measures will be taken to disrupt the elections [words indistinct]. For example, a lack of ballots at the polling stations in due time may disrupt the second round. This means that the election may be declared invalid. Abramovich [head of the Central Electoral Commission] will be the person to blame, but, still, the elections could be declared invalid.

Prospects for 2d Round of Presidential Election Viewed

PM2806135994 Moscow IZVESTIYA in Russian
28 Jun 94 p 2

[Report by Aleksandr Starikov: "Belorussia [Belarus]: Young Wolves Have Bared Their Teeth"]

[Text] Minsk—The results of the first round of the presidential election have put the spotlight on a new trend. Prestige is gradually gained by people in the

Belorussian [Belarusian] political arena who are unconnected with existing parties and clans but who are skilled at winning votes from the electorate with attractive ideas.

On this occasion the idea in question is the struggle against corruption. A short while ago the government press attempted to depict People's Deputy Aleksandr Lukashenka as some Hercules cleaning out the Augean stables of corruption. But when the Council of Ministers' ideologists went into reverse, it was already too late: The former parliamentary commission chairman remained more or less the only honest person in the minds of the general public. What is more he is one of them, a man of the people.

But on his own Lukashenka would hardly have been able to maintain this essential position. Help came to him from politicians of the new wave whom former Speaker Stanislaw Shushkevich once called the "young wolves." The Lukashenka team's "think tank" comprises Dmitriy Bulakhov, chairman of the Supreme Soviet Commission for Legislation; Valeriy Tsepkala, a former adviser to Stanislaw Shushkevich; Viktor Hanchar, deputy chairman of Maladechna City Soviet Executive Committee; and several other people whose names are as yet little known to the public. The unifying force between them is a strong desire to get their way into power. Their backing for Lukashenka is for the moment proving to be justified. The "young wolves" have organized and are running his election campaign in a professional manner, which cannot be said about the majority of other teams. Without making any particular effort to win the votes of relatively small groups in the population, such as the intelligentsia, they have basically oriented themselves toward the rural areas and the urban working class. This brought them success in the first round.

The results of the 23 June poll came as a real shock for the government team. On Thursday [23 June] evening, journalists who were trying to get in contact with the Council of Ministers, discovered that nearly all its staffers who were at work were heavily under the influence of alcohol. It was in this way that stress was relieved throughout the weekend, which hardly promoted a sober assessment of the situation or helped to map out a future course of action. In the meantime, it seems that Vyacheslaw Kebich's entourage did everything it could to sink its own candidate in the first round. [There were] constant attempts to bribe voters (in one rayon veterans were handed envelopes with "from Vyacheslaw Kebich" on the outside and money inside, after which it was suggested that they vote immediately). The promotion of the prime minister's candidacy and the vilification of Lukashenka, Poznyak, and Shushkevich have rebounded. These tricks are no longer tolerated by the Belorussian public. But Kebich's team proved unable to put forward anything else at the time.

The democrats' failure is for the most part conditioned by a lack of unity in its ranks. The tiny parties—the Belorussian Social Democratic Assembly [gromada] and

the United Democratic Party of Belorussia [Belarus]—decided to show everyone that they are just as good as anybody else, but were unable to come up with anything better than to nominate Stanislaw Shushkevich as a candidate. The former speaker flopped.

Once the preliminary results of the poll's first round were already known, the "Assembly" managed to complain in print about the Belorussian People's Front which did not support Shushkevich but nominated its leader Zenon Poznyak as a candidate, who, incidentally, polled more votes.

Kebich's team will attempt to change the course of the contest. The 24 hours [of breathing space] promised by Lukashenka to officials he considers guilty of corruption in which to "escape to the Himalayas" is not much of a consolation. Members of the Council of Ministers evidently have no idea of how in fact they will act. The few who were fit to work on Friday were hoping that all those who did not vote for the anticorruption campaign in the first round would now vote against Lukashenka and therefore for them. But this scenario does not seem realistic. Even if events develop very favorably for Kebich, he will not succeed in closing such an immense gap. The only chance for his team is to wreck the election's second round and this will not be simple.

For his part, Lukashenka and his associates will attempt to build on the success they have already achieved. A strike against his rivals is not ruled out by way of an extra measure. According to information in the possession of IZVESTIYA, Valeriy Tsepkala is at present in Nigeria. His trip there was preceded by an incident involving the detention of a transport plane allegedly bound for this African country (though in fact actually bound for the former Yugoslavia) carrying Belorussian arms. If Tsepkala returns with serious enough compromising materials on the Council of Ministers, there can be no doubt that this information will soon be in the public domain.

Assembly Urges Referendum on Confederation With Russia

WS2806115094 Minsk Radio Minsk Network in Belarusian 1600 GMT 27 Jun 94

[Text] BELINFORM has been told by [name indistinct], head of the press service of the Belaya Rus-Slav Assembly Party, that early in July the Russian State Duma plans to discuss the possibility of creating a confederation between Belarus and Russia. Representatives of this party were invited to attend the discussion.

The Belaya Rus-Slav Assembly press service also reported that the Party Duma addresses the Belarusian Supreme Soviet with a proposal to hold—during the second round of presidential elections—a referendum with regard to rendering official status to the Russian language in Belarus, the creation of a confederation with Russia, and the introduction of dual, Belarusian-Russian, citizenship.

Minsk Not Yet Ready for Monetary Union With Russia

LD2806165594 Moscow INTERFAX in English 1309 GMT 28 Jun 94

[Text] Minsk is not ready for a monetary union with Russia because of uncertainties in government policies following the country's presidential elections, a senior official of the National Bank of Belarus (NBB) told INTERFAX on condition of anonymity.

He said none of the government agencies including the government, Finance Ministry, or NBB were making preparations for the union. Even the draft of an appropriate banking agreement is still pending discussion by experts, he said.

The official went on to say that for the time being, talks were under way between officials of the NBB and Central Bank of Russia to discuss the creation of a payment union on the basis of the two countries' currencies. (The appropriate draft was sent to Belarus last month).

The official said NBB President Stanislaw Bagdankevich was still opposed to the endorsement of the agreement's Chapter 5, which provides for the abolition of the NBB. Nor does Bagdankevich accept the idea of a single budget or financing the country's deficit at the cost of credits from Russia's Finance Ministry.

Head of the Belorussian finance ministry's budget department Ivan Zayash in an interview with INTERFAX ruled out any monetary union as it was originally conceived by the April agreement by 1 July on the grounds that some of its provisions had not been met yet. The two countries are still to decide how to unify their cash and non-cash resources and at what rate as well as how their budgets would function following the unification. More importantly, Moscow has so far granted only 10 billion rubles out of its promised 500 billion rubles credit to Belarus. It has now reaffirmed sending a further 50 billion rubles.

Poll: Support for Merger, Opposition to Sovereignty Loss

WS2906084694 Minsk SEM DNEY in Russian 25 Jun 94 p 2

[Report by Nikolay Levchuk: "Sovereignty, Anyway!"]

[Text] According to a poll conducted by the "West-East" Strategic Initiatives Center, 76.4 percent of the Belarusian people support the unification of the Belarusian and Russian monetary systems.

If the unification results in a ceding of powers to the Russian Government or Central Bank, the move will be supported by 39.6 percent of society. If the unification results in a loss of Belarusian sovereignty, only 24.5 will support this initiative.

Arms Industry To Maintain Russian Links

PM2806131594 Moscow KRSNAYA ZVEZDA in Russian 25 Jun 94 p 3

[Interview with Aleksandr Tushinskiy, Belarusian first deputy minister of defense, by Colonel Valeriy Kovalev, under the rubrics "Topical Theme" and "Newspaper Within a Newspaper—On the Problems of the Military-Industrial Complex (Issue No. 3)"; place and date not given: "It Is Easy to Destroy Production. It Is 100 Times More Difficult to Reestablish It"—from the RUSSKOYE ORUZHIE section]

[Text] From the KRSNAYA ZVEZDA file:

A.I. Tushinskiy was born in Minsk in 1945. He graduated from the Minsk Radiotechnical Institute. He has worked as an engineer and chief engineer at the Minsk computer unit plant, and then as general director of the Belorussian [Belarusian] "Computer Technology" Production Association.

In June 1992 he was appointed Belorussian first deputy minister of defense. He supervises questions of materiel and technical backup for the troops, technical policy, and conversion, and coordinates interaction between the military department and the Republic's defense industry. He is chairman of the Belorussian Republic Defense Ministry Scientific-Technical Council.

[Kovalev] Aleksandr Iosifovich, how would you assess the Republic's defense industry's potential?

[Tushinskiy] It is hard to give a simple answer to this question today. On the one hand Belorussia has a very large defense industry, which it inherited from the former Union. In the times of the unified union state, 112 industrial enterprises, scientific-research institutes, experimental design bureaus, and construction-assembly and other organizations worked for military needs, and over 200,000 scientists, designers, engineers, technicians, and workers were employed in them. Many articles that were developed and manufactured here have no counterparts—we were the monopolists on certain models of combat equipment and components. But when, following Belorussia's acquisition of sovereign state status, an inventory of the defense industry was carried out, it turned out that it was in a position to provide for only 3 percent of the national army's needs in terms of weapons systems. This means around 20 models of combat equipment and weapons.

In other words, the lion's share of output manufactured at our enterprises consisted of components—equipment, subassemblies, hardware, instruments, and so-called basic supplies. That is, to put it figuratively, we turned out to be impoverished despite our wealth: Although we have a mighty military-industrial complex at our disposal, we can only use its potential to a limited extent to provide for our Armed Forces' needs. What is needed to increase that potential is a major structural overhaul of the defense industry.

[Kovalev] And is that work being conducted?

[Tushinskiy] Yes. On the government's instructions the Defense Ministry has elaborated a draft state weapons program for the period through the year 2000. It was recently examined and ratified at a sitting of the Defense Ministry Collegium. Now it is up to the government. In brief, this program boils down to bringing the level of supply of home-produced weapons and equipment to the Army from the present 3 percent up to 20 percent by 2000, and considerably expanding our own potential for repairing weapons and combat equipment and manufacturing tool and accessories kits and spare parts. At present, our industry and Defense Ministry enterprises can only guarantee the repair of 2 percent of the 4,000-plus models of armaments and military hardware making up the arsenals.

[Kovalev] In light of what you have said, I cannot help wondering: From where will the remaining 80 percent of the armaments systems required to maintain the Belorussian Army's high level of combat readiness come?

[Tushinskiy] The missing hardware and armaments will, of course, have to be purchased. And these purchases have been built into the program. They have been specified according to quantity, product list, and deadlines. I will tell you right away that we are geared mainly toward Russia.

[Kovalev] But modern-day weaponry is not cheap. The Republic is known to be in a difficult financial position right now, and it is unlikely to be able to alter this in the next few years....

[Tushinskiy] You are right, of course. Nevertheless, we hope to be able to obtain a minimum of requirements for troop back-up anyway. And, paradoxical though it may be, our defense sector will help with this once again. The fact is that a large part of its production used to go, indeed, still does go to Russia—it is our main client. And it seems that in the future too the Russians will be interested in supplies from us, as Belorussia has a monopoly in the sphere of developing and producing a whole range of items of military significance. The relevant scientific research institutes and design bureaus have been set up, and the production technology has been installed. In our country, for instance, many highly important elements of space technology are produced, plus equipment for space stations. Minsk's wheeled vehicle plant produces truly unique multi-axled chassis for mobile strategic missile complexes, notably for the famous "Topol"—the RS-12M. Right now the development of a new eight-axle chassis, unparalleled in terms of navigability, maneuverability, and technical sophistication, is approaching its culmination here. Belorussia does not need such a machine, but the fact is that the commander in chief of Russia's Strategic Missile Forces is asking for the tests and technical refinement to be completed here in full.... The tractor plant is producing tracked vehicles for systems no less famous than the "Tor" and the "Tunguska." As yet there is nothing, as far

as I know, to match our automated guidance and control systems, certain types of optical appliance, photometric technology, or reconnaissance devices. The list goes on.

Belorussia will supply items produced here to Russian orders and update them, and in exchange we will acquire everything that our Armed Forces need.

I am hardly rediscovering America here, by the way: There are agreements in this respect on questions of military-technical cooperation between the governments of our countries. As yet, unfortunately, they are functioning in by no means ideal fashion.

The situation is intensified many times over by the enormous difference in prices for energy sources and raw materials—in Belorussia these are somewhat higher than in Russia. Production from our defense enterprises, as a result, is becoming too expensive for Russian producers. But even if an order is received and fulfilled, this still does not guarantee prompt payment. How are workers and engineers meant to survive in such a situation? What can be used to acquire raw materials? Or components from subcontractors? How can the production base be updated or even maintained at the requisite level? Unless the situation changes, I fear that the Republic's defense industry, even without a conversion process, will not be long for this world....

[Kovalev] The picture you paint is not very optimistic. Where then is the way out of the existing situation?

[Tushinskiy] The treaty signed in Moscow on 12 April this year on a monetary alliance between our countries does inspire some optimism. If it is introduced in full, the situation will be rectified a little. On its own, however, this agreement is of little use, and our governments and military departments need urgently to sit down at the negotiating table and define their positions on an entire range of questions linked with future cooperation in the defense industry sphere. As a result, our scientists, designers, and producers should get a clear, long-term program, a state order, and the necessary financial resources for its implementation.

Right now, as we know, Russia is striving to win back positions lost in the world weapons market. This is undoubtedly a worthy decision. But many components for the most modern hardware and weaponry are produced in Belorussia. So there is a direct link here: If our defense industry suffocates, so to speak, and it is forced to wind down military production completely, then Russia will inevitably lose speed in breaking into the world market in respect of some of the most vital positions. Moreover, this concerns the production of arms and military hardware for their own Armed Forces, too. But if we can achieve close coordination in the work of our military-industrial complexes, it will prove possible to avoid losses in both speed and quality. The two sides can only gain from this.

[Kovalev] But will it not be the case that, while the upper echelons are negotiating about collaboration, the Belorussian defense sector will be reduced to precious little more than a few nuts and bolts?

[Tushinskiy] There are, of course, grounds for such fears. But not everything is as gloomy as it may have appeared to you from my account. We are by no means sitting back with folded arms. Contacts between Belorussian and Russian defense sector workers and between the military departments, despite all the difficulties, have not broken down. Yes, the volumes of orders have approached a critical level, but they are still coming in. And yes, the problem of payment defaulting is very severe; but, as soon as our Russian partners do receive money, the first accounts they seek to pay are those of the Belorussian suppliers. In its turn, our defense workers do not insist on payment up front, and they are striving to complete Russian orders in good faith, to a high standard, and on time. At times our scientific research institutes and design bureaus continue with promising developments and the technical finishing of new items on the strength of pure enthusiasm alone, so to speak. For instance, at our proving ground equipment plant, state-of-the-art simulators for training T-72 tank operators have just been tested and brought into series production. They will be supplied to Russia. We have succeeded in agreeing with our Russian colleagues on the uncompensated exchange of technical documentation, which is very important for us, insofar as we intend to expand the list of types of military hardware repairable at republic enterprises. We are holding talks with the Russians on setting up joint ventures.

In Orsha, for instance, on the basis of the aviation repair plant a joint venture for the repair of MiG-29 fighter aircraft will begin to operate very soon. The Russian side will offer us the requisite documentation and spares. A program for the joint production in Belorussia of a dual-purpose aircraft—suitable for scientific and training purposes and to serve business people—is at the compilation stage. The aviation design bureau headed by Aleksandr Nikolayevich Tereshchenko and a number of Russian federation enterprises are acting as founders of the project. And there is another joint project that we will be starting in the near future—recycling old munitions that are past their storage life. We have specific projections here. Russia has shown an interest in them. So we will pool efforts here to our mutual advantage. We are moving toward the flotation of defense enterprises: In particular, the Gomel "cluster" of our military-industrial complex and Russia's "Vympel" Science-and-Production Association are setting up a joint stock company right now, and they will work together on conversion programs and on the production of defense output.

In short, despite everything, the links between the defense sectors of Belorussia and Russia have not been broken once and for all. And, I hope, they never will be. I am convinced that our fraternal countries will together show concern for reinforcing the Armed Forces. As we

know only too well, something can be destroyed in the space of an hour, but reestablishing what has been ruined takes many years and concerted efforts.

Moldova

Russian Counterintelligence Official Visits Tiraspol

AU2806160194 Chisinau BASAPRESS in English 2140
GMT 25 Jun 94

[Text] Tiraspol, BASAPRESS, 25/06/1994—Chief of the Russian Counter-Intelligence Service, General Colonel Sergey Stepashin, and Moldovan Security Minister, General Vasile Calmoi, met today with Aleksandr Lebed at the 14th Army Command in Tiraspol. They discussed the maintenance of security in the region. Stepashin did not specify whether yesterday's cooperation agreement pertained to Eastern Moldovan districts. Stepashin stated to BASA that the 14th Army counter-intelligence service head, Colonel Nikolai Zlygostev, was dismissed. Unofficial sources say that Zlygostev was dismissed for his relations with the Tiraspol security and in particular with the former minister Vadim Shevtsov (Antyufeyev). The 14th Army command did not deny this allegation. The Dniester acting security minister Oleg Gudymo was not allowed to take part in the meeting. He waited for Stepashin outside command headquarters hoping to plan a meeting with him at the Tiraspol Security Ministry building. Stepashin refused to have any discussions with the Dniester special services. He told reporters that he is visiting Moldova at the Chisinau Government's invitation.

Parliament Member on Cooperation in Black Sea Basin

AU2806160594 Chisinau BASAPRESS in English 2140
GMT 25 Jun 94

[Text] Chisinau, BASAPRESS, 25/6/1994—The third plenary session of the Parliamentary Assembly of Black Sea Basin Countries, recently held in Bucharest, focused on concrete aspects of economic collaboration between member states, stated to BASA Fiodor Angheli, deputy chairman of the Moldovan Parliamentary Commission for Foreign Policy. Angheli declared that the elaboration of the regulations concerning the favored commercial status in the relations between the Parliamentary Assembly member-states is of primary importance. It is also vital to elaborate mutually advantageous import-export tariffs and to modify the system of license granting. He also mentioned that establishing inter bank collaboration relations and creating a common bank of the Black Sea Basin countries would stimulate trade between them. Angheli considers that the transit of goods from Greece and Turkey to Russia and the Ukraine would be substantially facilitated by the creation of some high-standard services at the Giurgiulesti-Galati frontier point. "By participating in the Parliamentary Assembly, Moldova has a chance to establish

large trade programs through both multilateral and bilateral agreements," declared Angheli.

Gagauz Authorities Issue Communique on CE Experts' Visit

AU2806160894 Chisinau BASAPRESS in English 2140
GMT 25 Jun 94

[Text] Comrat, BASAPRESS, 25/06/1994—"It seems that the Council of Europe [CE] representatives either do not completely understand the situation in the southern districts or follows someone's command, as during the negotiations in Comrat they emphasized that Gagauzians are not a nation and that human rights are superior to nationalities' rights," states a communique of the Gagauz Supreme Soviet and President. The communique states that the CE experts said that Gagauzians cannot assume priority over other national minorities that live in Moldova: they believe that Gagauzians can receive only cultural autonomy. The CE experts agreed with the Gagauz Parliamentary Commission on the 12 articles of the draft law on the "Gaguz Eri" project. The law's preamble and Articles 1, 2, and 12 on the Gagauzians' self-determination and Gagauz Eri self-administration as well as the prerogatives of the local administration were discussed. The CE recommendations are juridical amendments that were accepted by the Gagauz side. The communique states that the "meeting in Comrat was productive. However, as a result of the negotiations held with the CE representatives the conclusion can be drawn that an unjustified delay in settling the Gagauz problem is again imposed due to Moldovan officials that create artificial barriers and deceive not only the Moldovan public but the international organizations as well." It is obviously Moldova's wish to enter the CE without resolving political problems, but the Gagauz issue impedes the fulfillment of this wish: that is why spirits are again stirred around a problem that should have been settled long ago, states the communique.

Gagauz Deputy Speaker Views Meeting on 'Gagauz-Eri' Project

AU2806160794 Chisinau BASAPRESS in English 2140
GMT 25 Jun 94

[Text] Chisinau, BASAPRESS, 25/06/1994—"Many political games surround the Gagauz problem," stated Nikolai Telpiz, Gagauz deputy speaker, to BASA, commenting on the results of the meeting between Gagauz legislators and the Socialist Unity faction on the "Gagauz Eri" project. According to him, Comrat representatives were surprised "to hear the proposal to discuss a draft on special juridical status modified by the Moldovan Parliamentary Commission and not the one previously drafted by the Moldovan and Gagauz Parliamentary commissions." Valeriu Senic, Socialist Unity faction leader, chatted on the Socialist Unity faction representatives to support the modifications proposed by the Moldovan Parliamentary commission. "The

Gagauz Parliamentary Commission sent a protest to the Moldovan Parliamentary Commission which unilaterally modified the draft law; the draft does not favor the Gagauz side and limits the potency of the 'Gagauz Eri—Gagauzia'."

Congress of Intelligentsia Changes Name, Elects Leadership

AU2806165394 Chisinau BASAPRESS in English 2140 GMT 25 Jun 94

[Text] Chisinau, BASAPRESS, 25/06/1994—The fourth Congress of Intelligentsia was held today in Chisinau. Some 400 delegates representing most Moldovan localities and numerous guests including Ion Solcanu, deputy chairman of the Romanian Senate and U.S. and Romanian Embassy representatives. Alexandra Mosanu, Congress of Intelligentsia (CI) chairman, stated in the report that "the socio-political movement, Congress of Intelligentsia, was born under conditions of political crisis which were caused in late 1992-early 1993 by the Moldovan president and forces supporting him." According to Mosanu, a short time after its set-up the CI succeeded in affirming itself in the political arena. The parliamentary elections showed that this formation "has established itself within the society." Specifying that the Peasants and Intellectuals Block won over 163,000 votes, thus 11 seats in the Parliament, Mosanu gauged that "in general, the election results were modest for this block." He also mentioned that "the pro-imperialist reactionary forces fight against the freedom conquered by the national

emancipation movement and Moldovan independence as well. Subtly manipulated by officials, many citizens fell in the trap of Romanophobia, while others are overwhelmed by apathy and indifference or by nostalgia for the former communist regime." According to Mosanu, a major reason for the "the agrarian-interfrontists' victory" in elections was "the preservation of the old structures of the totalitarian regime in economic and state administration as well as the seizure of important positions in the national private economy by anti-national forces." At the CI leadership's proposal the delegates changed the name of the formation to the Moldovan United Democratic Congress [CDUM]. Several changes were introduced into the statute and thus the adherence of certain parties to the congress was facilitated. Leaders of the Democratic Party and Christian Democratic Party declared their adherence to the Congress. They argued that the congress facilitated the conditions for adherence and that the objectives and social foundation of the parties are almost identical. They also said that it is necessary "to unite all national democratic movements." The wish to "merge with the Congress on the basis of its statute and program" was reiterated by most speakers. Nicolae Dabija, CI deputy chairman, stated that fruitful negotiations concerning a future merger with representatives of several parties were held. Deputy Valeriu Matei was elected chairman of the United Democratic Congress. According to the CDUM, the post of chairman can be retained two consecutive periods. The CDUM session—the new name of the supreme meeting of the formation—elected other leading organs.

Kazakhstan

Foreign Ministry Discusses Implementing Eurasian Union

LD2906104294 Almaty Kazakh Radio Network in Russian 0800 GMT 29 Jun 94

[Text] At an expanded session of the Foreign Ministry collegium, issues concerning the practical implementation of President Nazarbayev's concept on the creation of a Eurasian Union, as well as the participation of the ministry and its foreign missions in tackling the problems resulting from the president's speech to the Supreme Kenges.

In a report presented by Foreign Minister Saudabayev he stressed the importance of Nazarbayev's idea on forming a Eurasian Union in the context of strengthening integration tendencies in the world, first of all in [word indistinct] space, and in the context of strengthening the stability and security of states which may become subjects of the Eurasian Union.

The need for more active participation by the central apparatus of the Foreign Ministry and by its foreign missions in ensuring wide international promotion of the reforms carried out in the Republic was stressed at the meeting. The collegium endorsed the planned measures, foremost among which is elaboration of our sovereign state's foreign policy strategy.

The consultative council's meeting on foreign policy was held at the Foreign Ministry.

Constitutional Court To Examine Validity of Election Code

LD2906105294 Almaty Kazakh Radio Network in Russian 0800 GMT 29 Jun 94

[Text] A KAZTAG correspondent learned from the Constitutional Court that it postponed examination of the constitutional validity of Article 60 of the Election Code until 1 July. This article concerns election collateral and the obligatory collection of 3,000 signatures supporting a constituency candidate for deputy in Supreme Kenges. Candidates from the state list do not have to collect any signatures.

In the opinion of Deputy Burnashov, who instituted the legal issue, these provisions contradict the constitutional norms on the equality of rights of citizens and create allowances for some categories of voters and candidates. As is known, examination of the case on 6 June was postponed in connection with the untimely appointment by parliament of their representative. This mistake has now been corrected. The necessary procedural measures have been taken in order to ensure the rights of one of the sides, namely the Supreme Kenges.

Deputies Discuss Baykonur Agreement

LD2806184594 Almaty KAZTAG in Russian 1430 GMT 28 Jun 94

[Text] Almaty—It seems that one of the Supreme Soviet's plenary meetings soon will get down to ratifying the agreement with the Russian Federation on the lease of the Baykonur cosmodrome. A group of its deputies is speaking in favor of this. According to information received from confidential sources, a considerable number of deputies have been persuaded to this effect.

It seems that the government of Kazakhstan is willing to meet them halfway on this issue. At least, Prime Minister Tereshchenko in his recent speech at the Supreme Soviet session could not justify dragging out ratification of this important agreement by a number of officials. He has promised to submit it for consideration by the deputies not later than the beginning of this week [as received].

However, the agreement, which was signed by the two countries during the official visit to Russia by President Nazarbayev at the end of March, has not yet been implemented. The term of three months, which has been allocated by governments of both countries for its finalizing, expires tomorrow. A lot of work is needed in drafting its final text and signing the agreement on the lease of the space site.

It is also important that after the accord on Baykonur was reached at high level between Kazakhstan and Russia, attempts were made to revise some of its main provisions. For example, several letters have been received by the relevant government commission from the Leninsk city administration and the city soviet. The letters said that the principles of the agreement contradict the wishes of local citizens. Therefore, Leninsk should be singled out as a separate administrative and territorial unit subordinate to Kazakhstan.

Those deputies who favor speedy ratification believe that such a stance does not accord with the Republic's basic interests. The space site and the town Leninsk make up a single body and they should be transferred to the jurisdiction of the Russian Federation as such. This has been secured by the Moscow agreement.

We should mention here an article by Tarbya Sarabekova, secretary of the Supreme Soviet's Committee for Economic Reform, who used to work as the chairman of the Committee for State Property of Leninsk. Published in the latest issue of PANORAMA weekly, it says: "Kazakhstan owns Baykonur but it does not have an intellectual property for it, scientific and technical staff, or plants for the production of space equipment. All of them belong mainly to Russia. Therefore, we are facing now the problem of not losing it forever and turning it into an open space museum, which would not last long. It will take three months for it to be covered with sand. The space site is located in a desert area, with moving barkhans. If Russia leaves it, then there will not be any

reason to work there and they will not be anyone to do the job. The space site will eventually die."

Sarabekova believes that "leasing the Baykonur space site and its infrastructure accords with the basic interests of Kazakhstan." The Republic has no money for its maintenance. It does not have its own space industry, qualified personnel, or design centers. The agreement will provide us with the chance to gradually accumulate these things. If this chance is not used then Kazakhstan would not be able to make a scientific-technological breakthrough in the near future.

Parliamentarians Visit Mashzavod Works in Almaty

LD2806162594 Almaty Kazakh Radio Network in Russian 0100 GMT 28 Jun 94

[Text] Supreme Kenges deputies Valeriy Golenko, Andrey Kirilyuk, and Stella Vasiliyeva, at an invitation from the activists of the working movement of Almaty, visited the Mashzavod production amalgamation. The parliamentarians met workers. Especially heated discussions were held at the foundry. The parliamentarians assured the workers that their opinion will be passed on to relevant organs.

Scientists Hold Conference, Found Nuclear Society

LD2806163794 Almaty Kazakh Radio Network in Kazakh 0400 GMT 28 Jun 94

[Text] Recently in the town of Kurchatov [center of the Semipalatinsk nuclear testing site] renowned scientists of Kazakhstan held a founding conference to set up the Kazakh nuclear society. Representatives of Kasep Corporation and the national academy of sciences participated in it. Fifteen other organizations that want to become members of the Kazakh nuclear society include the Ulby [Ulbinskiy] metallurgic works, Kazakhstan [word indistinct] university, and others. The meeting approved the Rules of the society and elected executive organs.

Kenges Committees Discuss Government Program

LD2806170094 Almaty Kazakh Radio Network in Kazakh 1400 GMT 28 Jun 94

[Text] A joint expanded sitting of the Supreme Kenges committees for economic reform and for finances and budget was held today. Members of the Cabinet of Ministers participated in its work. The program of the government was discussed. The program will be examined by the parliament and then endorsed by the president. The deputies paid attention to specific mechanisms for implementing some provisions of the program, especially in the field of credit and financial policy and monetary circulation. Minister of Economy Mars Urkumbayev and Uraz Dzhandosov, first deputy chairman of the national bank, commented on this.

On the same day the committees of the Supreme Kenges discussed the updated republican budget for 1994. Deputy Prime Minister Tulegen Zhukeyev and ministers Derbisov of finance and Altynbek Sarsenbayev of press and mass media advised the deputies on the issue. Prime Minister Sergey Tereshchenko spoke at the sittings of the committees. The government's program and the updated 1994 republican budget will be discussed by the plenary session of the Supreme Kenges tomorrow.

Fast Breeder Reactor Closed for Lack of Money

LD2806181994 Moscow Ostankino Television First Channel Network in Russian 1100 GMT 28 Jun 94

[Video report from Kazakhstan by correspondent Alla Nugmanova, including recordings of comments by Y. Usov, president of AKPO joint-stock company, and President Nursultan Nazarbayev—from the "Novosti" newscast]

[Text] The world's first fast breeder reactor at Aktau, the center of Mangistau oblast, has been shut down, just like many other industrial installations in the Republic. The reason for this is that there is no fuel—or, to be more precise, there is no money with which to buy it. This despite the fact that the Republic has its own fuel resources. Debts and nonpayments within the Republic are increasing. Suppliers themselves have no funds. The economic crisis is hitting specialists worst. You cannot survive without a proper salary here.

[Usov] A quarter of our staff have left the works during the last four months. It is not just that we cannot pay wages, the two main problems are: 1) We cannot pay railway charges; and 2) We cannot pay customs duty. But we cannot keep our telephones going, either. We cannot get any work done.

[Nugmanova] In this situation President Nazarbayev offers a stark solution. He says all subsidies to enterprises from the budget should end. Loss-making plants must be declared bankrupt. It is cheaper for the state to pay unemployment benefit to workers made redundant when these plants close than to subsidize them.

[Nazarbayev] [words indistinct] so, the state will not issue any worthless money.

Tajikistan

ICRC Representative Arrives in Dushanbe

LD2806165694 Dushanbe Radio Tajikistan Network in Tajik 1200 GMT 28 Jun 94

[Text] A delegation of the International Committee of the Red Cross [ICRC] led by Jean de Courten, the general representative of this organization in eastern Europe and Central Asia, arrived in Dushanbe on a short working visit today. [passage indistinct]

Jean de Courten met with Erkin Rahmatulloyev, first deputy foreign minister of Tajikistan, today. Rahmatulloyev highly praised the activities of ICRC representatives in the country and expressed the hope that beneficial relations between Tajikistan and the ICRC will be further developed. The issues related to repatriating Tajik refugees from Afghanistan, rendering assistance to them, and providing them with accommodation were discussed in the course of the meeting.

Uzbekistan

President Changes Staff To 'Bolster' Position

MK2806112094 Moscow NEZAVISIMAYA GAZETA in Russian 28 Jun 94 p 3

[Report by Albert Musin: "Special Services Are Active Not Only on Their Own Turf. A Spate of Resignation Begins Among Republic's Leaders"]

[Text] It became known the other day that in the capital of Kazakhstan, Alma-Ata [Almaty], Uzbekistan's special services kidnapped well-known opposition leader Murad Dzhurayev, whom they had been hunting for his part in publishing the ERKH newspaper.

Dzhurayev was grabbed in a private apartment. According to some information, Erkin Ashurov, director of the Samarkand tea packaging factory, was arrested with him. To all appearances the kidnapped men were taken out to Tashkent.

When Kazakhstan human rights activists asked the Republic's prosecutor's office and the Ministry of Internal Affairs for clarification regarding this, yet another incident involving Uzbekistan's special services, the reply was once again that the local law enforcement organs "had not been notified" about the holding of the "operational measure" by Ministry of Internal Affairs operatives of another state on territory within their jurisdiction.

It can also be stated that the agreements on cooperation between special services and law enforcement organs of CIS states (the latest such agreement was signed between Kazakhstan, Uzbekistan, and Kyrgyzstan in Dzhambul on 12 May) contain no mechanism to prevent abuses and violations of human rights on the part of these services.

Meanwhile, in Uzbekistan they are vividly discussing a whole series of sensational resignations and "transfers to other jobs" of ranking leading lights including Mavlon Umurzakov, chief adviser to the president; and Islambek Yusufbekov, chairman of the State Committee on Science, among others.

More remarkable in this series is the firing of Umurzakov, who was in charge of "cadre selection and placement" both when he was head of the organizational department of the Central Committee of the Communist Party of Uzbekistan and in the position of adviser to the president, and who has been regarded as one of the most

powerful men at the top. His resignation touched off a whole chain of dismissals of officials of various ranks down to regional officials who used to be his "protoges." Umurzakov was sent, according to Karimov's order, to be "in charge of Syrdarya Oblast," only to disappear without a trace. Rumors have it that he is on the run because he had come to take bribes without moderation, thereby causing displeasure among his comrades and primarily another "gray eminence," Ismail Dzhurabekov, who had earlier been unrivaled in this department and had invariably been agricultural vice prime minister ever since Rashidov's times. According to one view, Karimov is getting rid of his closest but too despicable comrades in arms in this manner in a bid to bolster his positions, which have been seriously shaken of late.

Local observers note an extremely nervous atmosphere among the president's entourage and among his staff as a whole. In their opinion, the staff is weary, harassed by constant contradictory and excessive demands, and whereas any official could dream of getting close to "the man at the top" in the past, now only few feel attracted by the prospect.

Karimov Issues Decree on Market Control Commission

LD2806172394 Tashkent Radio Tashkent Network in Uzbek 0500 GMT 28 Jun 94

[Text] The following is the decree of the Cabinet of Ministers of the republic on setting up a government commission for implementing the government program of replenishing the consumer market in the Republic with goods and improving trade services for the population.

In line with a decree of the Cabinet of Ministers on replenishing the consumer market in the Republic, strengthening the currency, and improving the export potential, and also replenishing the consumer market with goods, improving the trading enterprises, and the work of the agricultural market, for supervising and overcoming problems in this field the Cabinet of Ministers decrees:

1. Under the chairmanship of Ismail Jurabekov, first deputy prime minister, a commission be set up. Deputy chairman of the Cabinet of Ministers of the Republic of Karakalpakstan and deputies to the oblast Hakims who deal with trading will also be included in this commission.

2. The following tasks be placed upon the commission: to formulate practical steps for the implementation of the program for replenishing the consumer market with goods; supervision of the work in the oblasts, cities, and the districts in the republic and similarly implementation of the directives for maintaining food stores, their replenishment, and sale to the population. On the tenth day of each month the progress of how the plan is being implemented should be reported. Within a period of 10

days to take measures for ensuring the supply of goods, produced by the state enterprises, to trading centers, supervise the work of the trading centers in line with legislation and to attract most supervisory bodies for this work. To be aware of the affairs of the markets in the Republic, taking corresponding measures, preventing negative tendencies, and to increase the role and responsibility of the trading centers a package of practical measures be taken within 10 days.

3. The Cabinet of Ministers of the Republic of Karakalpakstan, oblast Hakims, and Tashkent city must set up similar commissions; these commissions must be given the tasks of replenishing the consumer market, the [words indistinct] of the Uzbeksavdo association [Uzbek trade], Uzbekbirlashu [Uzbek association] and the trade centers of the [Uzkoptorg] in the agricultural market, implement the measures for improving trading services for the population in the Republic. The chairmen of the

territorial commissions must report to the government commission regularly on the progress of the work in the regions of the Republic.

4. The tasks of improving the work, bringing trading in order, and waging a decisive fight against all negative tendencies in the agricultural markets and decisive punishment be placed upon the chairman of the Cabinet of Ministers of the Republic of Karakalpakstan, the oblast Hakims, Tashkent city, the districts of the Republic, and the cities.

5. The task of supervising the implementation of this decree be placed upon Jurabekov.

6. The 234th instruction of the Cabinet of Ministers from 23 June 1994 be considered as having lost its power.

[signed] Islam Karimov, chairman of the Cabinet of Ministers

Armenia

Minister: Nagorno-Karabakh 'De Facto' Part of Armenia

NC2806191994 Yerevan SNARK in English 2003 GMT
28 Jun 94

[Text] Yerevan, 28 June. (SNARK)—Armenian Internal Affairs Minister, Vano Siradegyan, announced in an interview published today by the "HAYASTANI HANRAPETUTYUN" ("REPUBLIC OF ARMENIA") newspaper that Nagorno-Karabakh has been de facto incorporated in Armenia. Though the region is the place where clash the interests of super-powers, "they cannot ignore the organized nation which is ready to fight", said Mr. Siradegyan. At the same time, the minister opposed the fanning of "military hysteria" in Armenia which, in his opinion, "may discredit the state".

The major mission of his department the minister called preservation of political stability in Armenia until the new election campaign. By his words, "Armenia cannot allow itself early elections, forced resignations, and other social shocks".

Increase in National Income, Industrial Output Seen

NC2806192094 Yerevan SNARK in English 2003 GMT
28 Jun 94

[Text] Yerevan, June 28 (SNARK)—Armenia is the only country in CIS where the growth of basic economic indicators is observed. According to the State Statistical Administration data published in Yerevan today, the produced national income during the five months of this year has increased as compared to the corresponding period last year by 7.5 percent and the volume of industrial output grew by 12 percent.

At the same time, say specialists, such a growth indicates only insignificant improvement in the state of economy where a steep slump was observed in 1992-93.

Due to the permanent blockade of communications and insolvency, Armenia, still experiences a shortage of raw materials and electricity and the life level of the republic continues to remain the lowest among the CIS countries.

Azerbaijan

Turkish Move To Join Multinational Force Welcomed

TA2806185194 Ankara TRT Television Network in Turkish 1700 GMT 28 Jun 94

[Report by Omer Kebapcioglu in Baku]

[Excerpt] [Passage omitted] President Geydar Aliyev was pleased with the Turkish prime minister's parliamentary motion requesting authority to participate in the multinational force in Azerbaijan and to set up

installations in Turkey to extend support to this force. Replying to our questions, Aliyev said that a multinational force including Turkey would prevent efforts to impose solutions on the problem. Turkey is the greatest guarantee for Azerbaijan, he said, adding that the latest move by the Turkish Government proves this once again.

Aliyev expressed the belief that Turkey's participation in the multinational force will help solve the Nagorno-Karabakh problem quickly and justly.

Finance Minister, Regional Officials Appointed

NC2806193294 Baku Azerbaijan Radio Televiziya
Television Network in Azeri 1600 GMT 28 Jun 94

[Text] By a decree from the Azerbaijani president, Fikret Guseyn ogy Yusupov has been appointed finance minister of the Republic, and (Erasun) Velidzhan ogy Abbasov, president of Azergush State Industrial Enterprise.

By decrees from the Azerbaijani President, Ali Bedr ogy Babayev has been appointed head of Bilasuvar Rayon Executive Authority. Vali Shukur ogy Sefiyev has been relieved from this post. Agababa Kasym Ogly Kasymov has been appointed head of Gadzhigabul Rayon Executive Authority.

Georgia

Russian Peacekeepers Deploy Heavy Artillery in Abkhazia

LD2806152394 Tbilisi IBERIA in Georgian 1000 GMT
28 Jun 94

[Text] Zugdidi, 28 Jun—The Russian Federation peacekeeping forces have deployed heavy artillery (122mm-caliber E-30 howitzers) and heavy tanks (T-72 tanks) in the security zone of the Georgian- Abkhaz conflict.

No peacekeeping force, be it in former Yugoslavia or in Africa, is armed with either heavy artillery or heavy tanks since no such weaponry is necessary to carry out a peace mission.

Russians Set Up Observation Posts in Abkhazia

LD2806162094 Tbilisi IBERIA in Georgian 1000 GMT
28 Jun 94

[Text] Zugdidi, 28 [Jun]—The press center of the Group of Russian Forces in the Transcaucasus told IBERIA that yesterday Russian Federation peacekeeping troops, which are deployed along the Inguri River, set up three defended points [dasakrdeni punkti] and 12 observation posts.

The mine-clearing operation continues. Repair work on the Inguri bridge is expected to be completed on 29 June.

Abkhaz Troops, Civilians Reportedly Leave Gali Rayon*LD2806162294 Tbilisi IBERIA in Georgian 1000 GMT 28 Jun 94*

[Text] Gali, 28 Jun—An IBERIA correspondent reports from Zugdidi that Abkhaz Armed Forces and civilians have left the territory of Gali Rayon, where Russian peacekeeping troops have been deployed.

Only the Gali Rayon governor (an ethnic Abkhaz) and police chief (an ethnic Abkhaz), both of whom were appointed by the Abkhaz side, as well as a small group of their armed bodyguards remain there.

It is now calm in Gali Rayon.

Russian Official Sees Imminent Return of Ghali Refugees*LD2806183794 Moscow INTERFAX in English 1709 GMT 28 Jun 94*

[Text] Russian Deputy Defense Minister, Colonel-General Georgiy Kondratyev said he was sure that the first Georgian refugees would be capable of returning to the Abkhaz region of Ghali in the near future. He admitted in an interview with Interfax today that the refugee question was one of the main issues in finding a settlement to the Georgian-Abkhaz conflict.

Kondratyev said that during the next six months (the term during which Russian peacekeepers will be staying in the region) the Georgian and Abkhaz leaders would have a chance to make a significant move forward in wide-scale settlement of the conflict. "Servicemen have done what they were expected to do. Now politicians must say their word," he said.

Kondratyev returned from the conflict zone on June 27. He announced that the Russian peace-keeping troops had completed all their tasks—established control and set up monitoring posts.

Kondratyev said that inhabitants of both Georgia and Abkhazia had welcomed Russian peacekeepers. He added that the parties were respecting the cease-fire agreement signed in Moscow on May 14.

Kondratyev stressed that the peace-keeping operation in the zone of the Georgian-Abkhaz conflict was carried out under the CIS sign, not only under that of Russia. Kondratyev said he believed that monitors and peacekeepers from other CIS countries would soon appear in the region.

Peacekeeping in Abkhazia Seen Weakening Shevardnadze*MK2806125094 Moscow KOMMERSANT-DAILY in Russian 28 Jun 94 p 4*

[Aleksandr Koretskiy report: "Returning to the Motherland Is Not as Easy as Crossing the Inguri River"]

[Text] Georgian head Eduard Shevardnadze yesterday expressed the hope for an early and massive return of refugees to Abkhazia—but this is hardly destined to materialize. Abkhazia's position remains unchanged: Each returning refugee will be screened and vetted as to whether he has not been implicated in military or other criminal activity on the autonomy's territory during hostilities. Thus, returning to Abkhazia will be no easier than crossing the border. Therefore any talk about the massive scale or speediness of this process is senseless.

Eduard Shevardnadze believes that the return of "large masses of refugees" to Abkhazia is possible within the next few days. The process will begin as soon as the bridge across the Inguri river has been restored, groups of refugees formed, and a schedule for their movement drawn up. Shevardnadze entrusted this mission to Georgian Prime Minister Otar Patsatsiya and Defense Minister Varden Nadibaidze, who were to leave Tbilisi yesterday for a place in immediate proximity to the disengagement line in the city of Zugdidi.

Indeed, the bridge across the Inguri can be restored in the next few days (after a corresponding order has been issued, engineers will cope with this task within just a few hours). Schedules for the refugees to cross the demarcation line can be drawn up and coordinated with the Abkhazia side in two to three days. But making up individual lists of refugees is not a matter of just one week. Yesterday Igor Akhba, head of the Abkhazia mission in Moscow, told KOMMERSANT-DAILY's correspondent that the Abkhaz side considers screening of each refugee a matter of principle. Sukhumi does not intend to abandon this principle: It will not allow a spontaneous return. Neither is there a mechanism for the return: The quadripartite commission's consultations continue.

Considering that in early July another round of Georgian-Abkhaz talks on a political settlement—which has been delayed on several occasions following the introduction of peacekeeping forces—is to begin, it is not ruled out that the refugee problem will become an Achilles heel for the Georgian delegation. Sukhumi, by manipulating this issue, will be able to obtain further concessions from Tbilisi. The latter will be appealing to Moscow, insisting that toughness be shown toward the Abkhaz. In any event Eduard Shevardnadze will be caught in a cross fire. He will not be able to avoid a compromise with Vladislav Ardzinba, who wants to talk with Tbilisi as equals. At the same time the Georgian leader will have to put this political authority on the line by submitting the accords reached to parliament's judgment.

Estonia

Meri Appoints New Defense Minister

LD2806144194 Tallinn Radio Tallinn Network in Estonian 1400 GMT 28 Jun 94

[Excerpts] President Lennart Meri today appointed Enn Tupp as defense minister. Enn Tupp is a member of the National Fatherland Party and has been working as the head of the Defense Ministry's defense policy department. [passage omitted]

President Lennart Meri released former defense minister Indrek Kannik from his post on 23 May.

Government Not To Renew Soviet-Era Passports

WS2906092894 Tallinn ETA in English 1404 GMT 28 Jun 94

["News Release"]

[Text] Soviet-time "red passports" expire on July 1 as the government decided not to renew them, Prime Minister Mart Laar told a government briefing on Tuesday.

All Estonian citizens should by now hold Estonian passports and older people who have not obtained a new passport should have no difficulties in receiving their benefits as post stations would accept old passports as ID's, Laar said.

Laar also said that by September a booklet would be issued for foreigners in Estonia where they can find information on applying for a foreigners' passport, Estonian citizenship, etc.

Canada's Ouellet Backs Call for Russian Withdrawal

LD2806182194 Tallinn Radio Tallinn Network in Estonian 1600 GMT 28 Jun 94

[Excerpt] Foreign Minister Juri Luik has met with Canadian Foreign Minister Andre Ouellet in Ottawa. Mr. Ouellet stated that he supports the Estonian call for Russian troop withdrawal by the end of August. He also promised support to Estonia at the top international level. The Estonian and Canadian foreign ministers signed a bilateral business and trade agreement, designed to encourage the development of trade contacts between the two countries.

Juri Luik made a speech at the Canadian center for world security on the subject of Estonian-Russian relations and security issues in the Baltic region. [passage omitted]

New Finance Minister Suspends Party Membership

WS2806144494 Tallinn BNS in English 1245 GMT 28 Jun 94

[Text] Tallinn, June 28, BNS—The newly appointed finance minister, Andres Lipstok, submitted an application to the Liberal Democratic Party leadership Monday seeking suspension of his membership in the party.

The Liberal Democratic Party accepted the application and stated that Finance Minister Andres Lipstok no longer is a member of the party, Heiki Kranich of the Liberal faction in the parliament said.

Lipstok, whose appointment to the ministerial office was formally approved by the president Monday, agreed to accept the posting despite the Liberals having shortly before quit the ruling coalition. The posts of the minister of culture and education, and of finance, became vacant after Liberal ministers Paul-Eerik Rummo and Heiki Kranich left the government. Lipstok before his appointment was head of county government in Estonia's western Laanemaa region.

Premier Says Fatherland Party To Survive Losses

WS2906092794 Tallinn ETA in English 1512 GMT 28 Jun 94

["News Release"]

[Text] Prime Minister Mart Laar said at a government briefing on Tuesday that his Isamaa (Fatherland) Party was there to remain despite evident break-up within. "Isamaa's separation into different directions is sad-denning and profits no one," Laar said while adding that the party was there to stay as the number of its supporters had at places increased.

Isamaa has been in a crisis for around eight months and the debate has fuelled after the Conservatives left on Monday. Estonian press on Tuesday predicted that the Republicans were to follow leaving Laar only with his Christian Democrats. Isamaa was formed on the basis of four parties: the Republican Coalition Party, the Conservative Peoples Party, the Christian Democratic Union and the Christian Democratic Party whose close cooperation before general elections in September 1992 brought them to power.

A solution to the crisis was expected to be reached at party congress on June 11 which brought victory to Laar who was re-elected as chairman beating Republican Ulo Nugis (parliamentary speaker) and Conservative Kaido Kama (former Justice Minister).

Laar said on Tuesday he intended to decide whether to remain premier in August or September.

Latvia**Ulmanis Explains Decision on Citizenship Law***LD2806190294 Riga Radio Riga Network in Latvian
1700 GMT 28 Jun 94*

[Text] As is known, President Guntis Ulmanis of Latvia has announced that he will not promulgate the citizenship law which now, according to the Constitution, must be debated again at a plenary sitting of the Saeima. Today at his residence, Ulmanis held a news conference at which he explained the reasons for his decision.

I cannot sign a law that as a result of which Latvia will clearly be isolating itself, said Ulmanis. Besides, the president also objects to the fact that no law has yet been adopted regulating the status of stateless persons and foreigners. As already reported, international experts' recommendations do not correspond to Article 14 in the law on citizenship, which provides an annual naturalization quota of 0.1 percent of the number of Latvian citizens in the previous year, starting from the year 2000. Many foreign envoys, too, have tried to convince Latvian politicians that the citizenship law does not correspond to the requirements adopted in Europe. Letters about it have been sent by the governments of the United States, Great Britain, Germany, and France. In Ulmanis' opinion, the citizenship law cannot be ideal, as it is resolving the consequences of the occupation of Latvia; however, the president still favors the law balancing the survival of the Latvian nation and civic harmony. He also predicted that the changes to the citizenship law will after all be two contentious points. Evidently the Saeima's plenary session on it will take place after the visit by U.S. President Bill Clinton to Latvia. Ulmanis noted the possibility that the visit could leave a positive impression for the solution of this issue. At the news conference Ulmanis also reproached the Latvian Government and parliament because these institutions had placed the responsibility on him of settling, in place of these institutions, important political issues that exceed the duties of the president provided in the Constitution of the Republic of Latvia. The Constitution does not provide political responsibility to the state president for his activity.

Russian Military Permits Extended to 31 Aug*LD2906101094 Riga Radio Riga Network in Latvian
0900 GMT 29 Jun 94*

[Text] The time is approaching for the complete withdrawal of Russian forces from Latvia. A decision was

made at a government session which has just taken place, on permission for Russian military personnel and members of their families to stay until 31 August. We asked Ilgonis Upmalis, head of the government commission for monitoring the withdrawal of the Russian Army, to comment.

[Begin Upmalis recording] So far, permits of stay have been valid until 30 June. As the stipulated period is expiring and the deadline for the withdrawal set in interstate agreements is 31 August, amendments were made today to the previous decision, and it was stipulated that permits to stay have been extended until 31 August 1994. The procedure is that, Army units have to submit lists of military personnel, as well as lists of members of families, who have these permits to stay. [end recording]

Lithuania**Social Security System in Financial Difficulties***LD2806162794 Vilnius Radio Vilnius Network in
Lithuanian 1100 GMT 28 Jun 94*

[Excerpts] ELTA reported that according to the figures for the first quarter of the current year the expenditure of the state social security budget exceeded the revenue by 15.7 million litas.

The increasing number of insolvent enterprises was named as the main cause of this. An especially difficult situation has developed in June; on 1 June the debt of the insurers [to the department of social security—"Sodra"] reached 200 million litas. [passage omitted]

The revenue from the state and from state joint stock enterprises, budget offices, and organizations have dropped significantly. According to the figures presented on 20 June the revenue received by the state social security budget comprised 71.9 percent of the planned revenue for this month.

As a result of this the "Sodra" is unable to pay out pensions on time and to settle accounts with the pharmacies and sanatoriums. On average the payment of pensions in June is late by four days. Apart from this the "Sodra" is not able to pay debts to the sanatoriums, which on 20 June comprised 500,000 litas.

The total debt of "Sodra" this month is 40.3 million litas. [passage omitted]